



CAPE AGULHAS LOCAL MUNICIPALITY ANNUAL REPORT 2010/11

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EXECUTIVE MAYOR'S FOREWORD



This annual report of the Cape Agulhas Municipality sets out the performance highlights and financial management for the 2010/11 financial year. The report is a rigorous reporting instrument, and is an account of the Municipality's achievements for the year under review. It also forms part of a cycle of ongoing planning, monitoring and evaluation that begins with the formulation and annual review of the Integrated Development Plan – the five year plan for the Municipality, which ideally reflects the shared views of the parties represented in Council.

The year under review was one of productivity and renewal, most significantly a renewed commitment to the priorities identified through dialogue with the community of Cape Agulhas. A major undertaking in establishing and meeting those priorities was the development of the Integrated Development Plan, which outlines our goals and our strategies for reaching them. As a living document, the plan will be regularly updated to ensure the voices of the citizenry will continue to be heard in planning the direction of Cape Agulhas' future.

Readers of this Annual Report will be able to reflect on progress in meeting the vision and objectives of the IDP, and see where we have delivered and where the challenges still hide. I have no doubt that this document will be a useful document for the councilors, officials and the community alike, as we strive to continuously improve our services to the people of Cape Agulhas. Gradually, we are realizing our vision of building a united, prosperous and productive community. Although we are still faced with the challenges of eradicating the inequalities of the past, we have achieved much under these circumstances. These achievements are well recorded, and are manifested in the many awards we received.

We will continue to be guided by the priorities mandated by our residents. Our successes will be defined by, and reflected in our citizens' quality of life.

I would like to take this opportunity to thank all members of Council, the Municipal Manager and his administration for their hard work and commitment to public service. I am looking forward to another successful year. By continuing to work together, we can achieve much more.

RG Mitchell
Executive Mayor

MUNICIPAL MANAGER'S FOREWORD



The Annual Report is compiled in terms of the Local Government: Municipal Finance Management Act (MFMA), No 56 of 2003. It affords our residents the opportunity to gain a substantial insight into the workings of the Municipality and to assess the municipality's overall performance on the national key performance areas for the 2010/11 financial year.

As is the case with many other municipalities, the Cape Agulhas Municipality strives to achieve service delivery excellence in all areas of its constitutional mandate. For the reporting year we have continued our efforts to develop and implement the appropriate strategies, and revitalise plans and key policies to ensure effective service delivery.

These efforts were also extended to benefit outlying areas such as Elim, Klipdale, Kassiesbaai and Protea. The challenges we faced were quite formidable, but as this Annual Report indicates, we have managed to rise to these challenges. We have built our many successes on the foundation of a sound financial management system, and once again have received an unqualified audit opinion from the Auditor-General of South Africa.

I wish to express my sincere appreciation to:

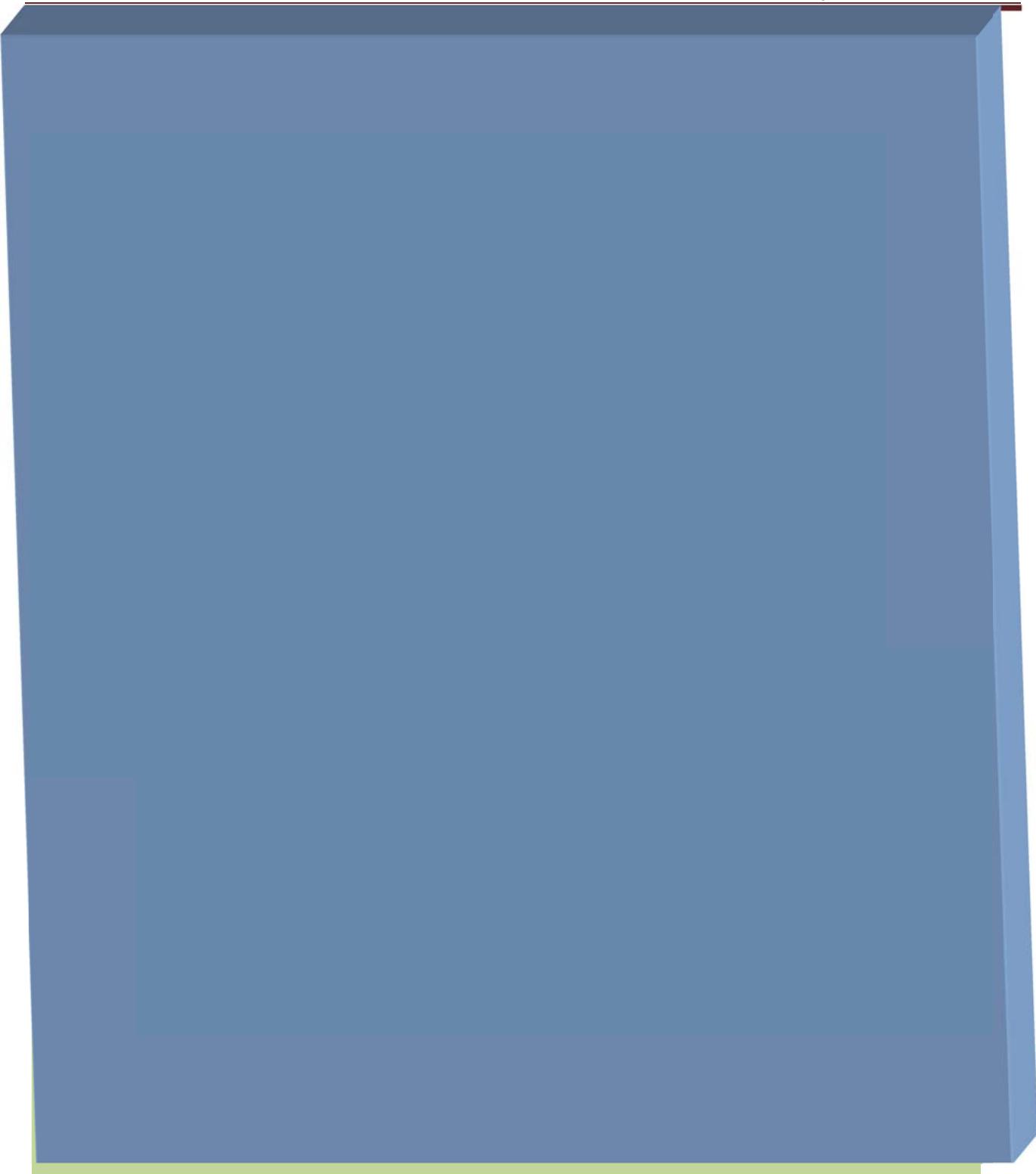
- All our residents for their loyal support and understanding;
- The staff for their unequivocal support and commitment; and
- The Executive Mayor and his Council for their guidance and leadership.

May we achieve even greater things during the 2011/12 financial year and by doing so ensure that Cape Agulhas remains a progressive Municipality that cares for its residents and many visitors.

R. Stevens

MUNICIPAL MANAGER

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CHAPTER 1: INTRODUCTION AND MUNICIPAL OVERVIEW

1.1 MUNICIPAL OVERVIEW

This report addresses the performance of the Cape Agulhas Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and accurate reporting on programme performance and the general state of affairs in their locality.

The 2010/11 Annual Report reflects on the performance of the Cape Agulhas Municipality for the period 1 July 2010 to 30 June 2011. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), requiring the Municipality to prepare an Annual Report for each financial year.

1.1.1 VISION AND MISSION

The Cape Agulhas Municipality committed itself to the following vision and mission:

Vision:

“To render continuous, sustainable effective services to all inhabitants and visitors in the area in order to create a healthy and safer environment for happy communities”

Mission:

“We the Cape Agulhas Municipality will strive to render the best affordable municipal services in a sympathetic manner to the whole area and its inhabitants in order to create a happy economic active and informed community”

1.1.2 DEMOGRAPHIC INFORMATION

A) MUNICIPAL GEOGRAPHICAL INFORMATION

Cape Agulhas Municipality is the southernmost local municipality in Africa. Its coastline is surrounded by the Atlantic and Indian oceans which meet at the most southern town in Africa, named L'Agulhas. The geographical area consists of approximately **2 411 km²**. The Municipality falls within the jurisdiction of the Overberg District Municipality.

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Wards

Until May 2011 the Municipality was structured into the following 5 Wards before the Local Government elections on 18 May 2011:

WARD	AREAS
1	Napier, Elim, Haasvlakte and surrounding farms
2	Part of Bredasdorp, Klipdale, Protom and surrounding farms
3	Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde area, Volstruiskamp)
4	Part of Bredasdorp
5	Aniston, Struisbaai, L'Agulhas, Suiderstrand and surrounding farms

Table 1: Municipal Wards until 18 May 2011

Below is a map that indicates the wards of the Municipality in the Overberg District area:



Figure 1: Cape Agulhas Area map

The area includes a significant rural area, as well as the following towns:

Bredasdorp:

Bredasdorp can be reached by turning at the crossing of the N2 and the R316 route from Caledon to Arniston and on the R319 route from Swellendam to Struisbaai / L'Agulhas. Although it has a typical rural atmosphere, it has an average business core with all the important services, such as a hospital, clinic, police station, magistrate, bank services and retirement facilities.

Napier

Napier is situated between Caledon en Bredasdorp on the R316 route. The town consists of a number of small businesses with agriculture as the dominant economic activity in the areas.

Waenhuiskrans / Arniston

Waenhuiskrans/Arniston is probably the only town in South Africa with two acknowledged names. This fisherman's town is situated approximately 24km from Bredasdorp on the R316 route. It is also host to the World Heritage site of Kassiesbaai, a quaint subsistence fishing community.

Struisbaai

Struisbaai is known for its 14km white sand beach. This is the longest uninterrupted and beach in southern Africa. This beach town is a popular holiday town that attracts visitors throughout the year.

L'Agulhas

L'Agulhas is the most southern town in Africa. The legendary point of Africa is surrounded by both the warm Indian and the cold Atlantic Oceans that meet at the most southern point.

Suiderstrand

This beach town is situated approximately 5km from L'Agulhas. Suiderstrand is also a holiday town and was established as a result of a need for holiday houses with a rustic rural character.

Elim

Elim is a historical Moravian missionary station with monumental status. The town is communal property, belonging to the Moravian Church.

Klipdale en Prote

Both these rural towns owe their establishment and development to the railroad and the grain silo's that were built there.

Rural Areas

Except for the occasional emptying of septic tanks on farms, no basic services are rendered to farm workers. A study was undertaken in 2007 to determine the backlogs in terms of basic water and sanitation services in rural areas. Potable water is supplied by Overberg Water and sanitation services are supplied by the land owners themselves.

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B) POPULATION

The municipality is estimated to account for approximately **15%** or **26 474** of the District's population of **212 787** in 2009.

The table below indicates the total population per ward within the municipal area:

Ward 1		Ward 2		Ward 3		Ward 4		Ward 5				
Elim	1 333	Bredasdorp	6 354	Bredasdorp	6 089	Bredasdorp	3 706	Struisbaai	2 052			
Napier	3 730							Arniston	1 373			
								L'Agulhas	394			
Total population per ward												
5 560		6 354		6 089		3 706		4 765				

Table 2: Demographic information of the municipal area – Total population

Source: *Urban Econ, 2008*

The table above are based on a socio-economic survey that was done based on a sampling method during 2008. According to the survey the Cape Agulhas Municipality has a total population of **26 474** which shows a decline from the number reported in 2007 by Provincial Treasury. Ward 2 has the largest population, closely followed by Ward 3. Ward 4 has a predominantly white population and ward 3 has a small population of Black Africans. A more accurate update on the population of Cape Agulhas Municipal area can only be determined by the Stats SA Census survey which will be conducted in 2011.

C) HOUSEHOLDS

The average household size in Cape Agulhas Municipal area is 4.5 which is in line with the national, provincial and district numbers. The majority of the households in the Cape Agulhas Municipality area consist of core family members which is parents with children. In many cases children are unable to move out of their parents houses, either because they cannot afford to move out or because there is a lack of affordable housing in the area. Single person households and single parent households are also very common in the different wards.

The total number of households within the municipal area, that are serviced by the municipality, has increased from **7 730** households in the 2008/09 financial year to a total of **8 128** households in the 2010/11 financial year. This indicates an increase of **5.2%** in the total number of households within the municipal area over the two years.

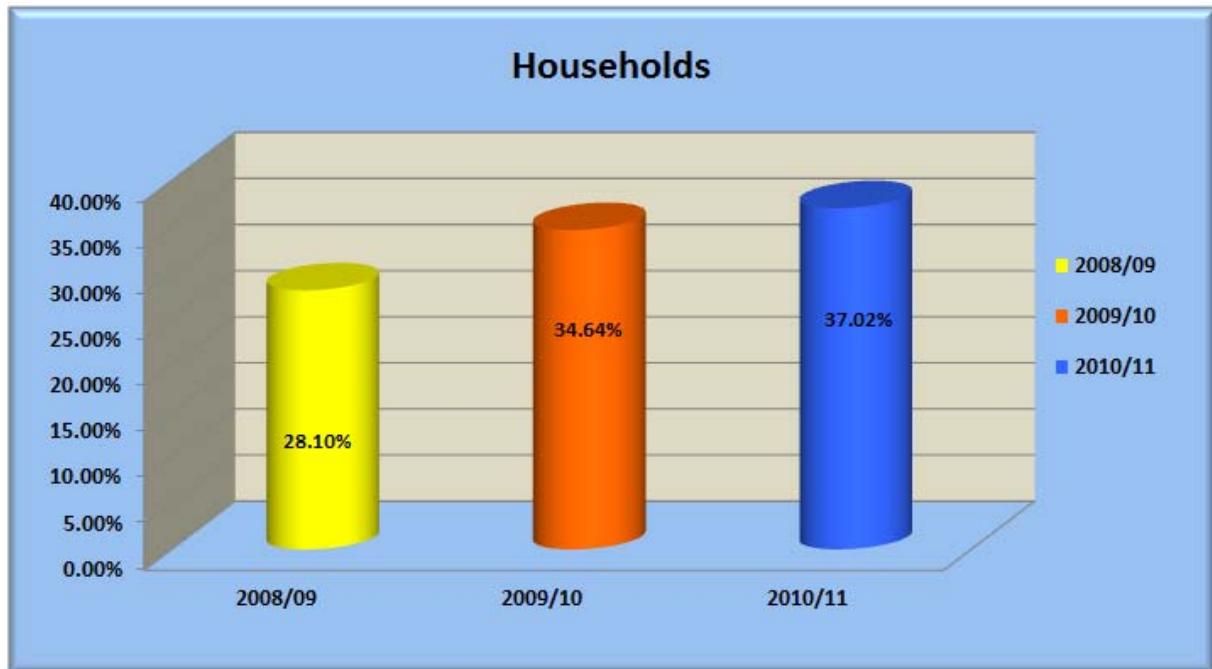
Households	2008/09	2009/10	2010/11
Number of households in municipal area	7 730	8 028	8 128

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Households	2008/09	2009/10	2010/11
Number of indigent households in municipal area	2 172	2 781	3 009

Table 3: Total number of households

The graph below shows that the total number of indigent households **increased** from **28.1%** in 2008/09 to **37.02%** in the 2010/11 financial year. The indigent households show an **increase of 38.54%** growth over the same period.



Graph 1: Total % indigent households within the municipal area

D) KEY ECONOMIC ACTIVITIES

The Municipality is dependent upon the following economic activities:

Key Economic Activities	Description
Agriculture and Agro-processing	<ul style="list-style-type: none"> • Agriculture- Livestock farming, ostriches, wheat crops, canola, vegetables, dried flowers, grapes & olives • Agro-processing- Dairy products, wool, mutton, meat, wine • Oilseed, ostrich meat and feathers & geese feathers & down
Tourism	<ul style="list-style-type: none"> • Tourism industry is one of the fastest growing economic sectors in Cape Agulhas although its contribution towards the GDP is not yet reflecting this trend: • Nature Based Tourism(fynbos, fauna & flora species) • Adventure Tourism (horse riding, mountain biking, paintballing, quad biking, river kayaking) • Marine Tourism (whales watching, fishing, De Hoop marine

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Key Economic Activities	Description
	<p>conservation area)</p> <ul style="list-style-type: none"> • Family Holidays (beaches & play parks) • Agri Tourism (wool route, wine farms) • Marine Tourism • Cultural & Heritage Tourism (Lighthouse, Elim, shipwrecks) • ICE (Conferences, events, teambuilding) • Business Tourism • Events Tourism(Foot of Africa marathon, Overberg Air Show, Eco Expo, Napier Patatfees, Agri Mega week, Heartbeat Christ Festival)
Fishing and Mari-culture	Cape Agulhas is the most important production area in the Cape line-fish industry. Mari-culture and the processing of marine products like abalone, mussels, and seaweed, has the potential to become a very lucrative industry for the area. This provides valuable natural resources which can be harvested and processed for commercial use and can be converted into a financially viable economic opportunity with multiple business ventures

Table 4: Key Economic activities

1.1.3 SOCIO ECONOMIC INFORMATION

A) SOCIO ECONOMIC GROWTH

The socio-economic information for the municipal area is as follows:

Housing Backlog	Unemployment Rate	Households with No Income	Skills prop. Of pop. – Low skilled employ	People older than 14 years illiterate	HIV/AIDS Prevalence	Urban/rural household split
4 292	16.8%	15.2%	40%	26%	2.8%	83.2%/16.8%

Table 5: Socio Economic information

B) POPULATION BY GENDER

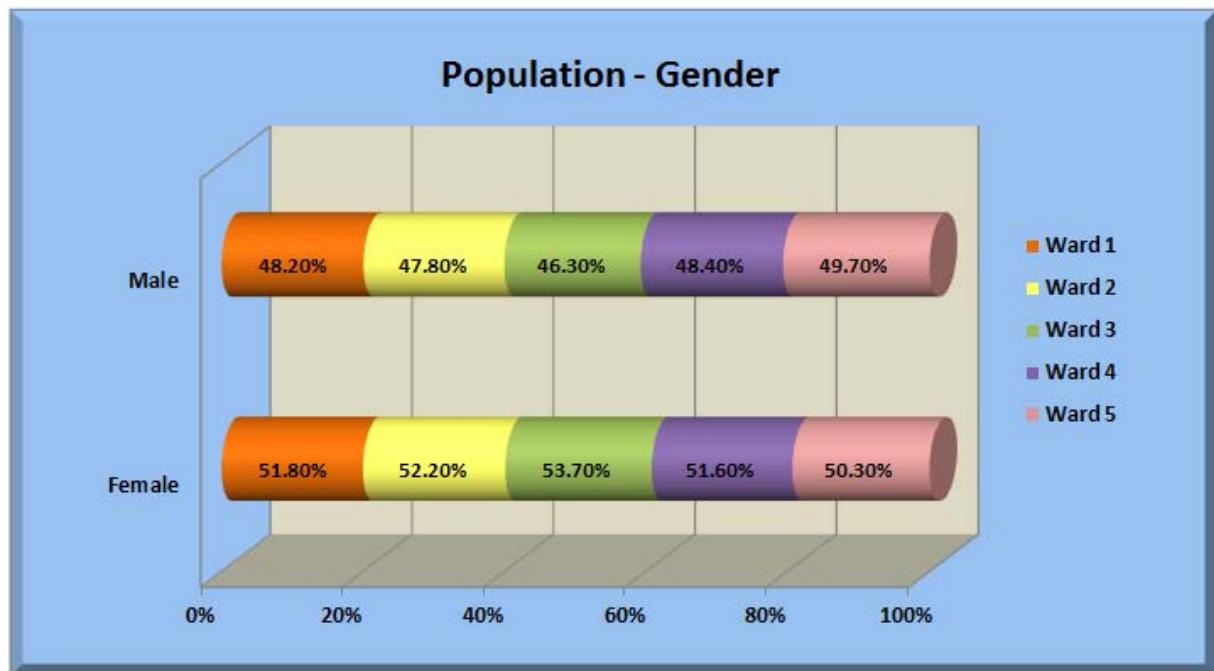
The population is fairly equally distributed in terms of gender with **51.9%** females and **48.1%** males, which is in line with South African, Western Cape and district percentages.

Ward 1		Ward 2		Ward 3		Ward 4		Ward 5	
Female	Male								
51.8%	48.2%	52.2%	47.8%	53.7%	46.3%	51.6%	48.4%	50.3%	49.7%

Table 6: Demographic information of the municipal area – Gender

Source: *Urban Econ, 2008*

The following graph displays the female and male population.



Graph 2: Gender Population

c) POPULATION BY GENDER/AGE

66.1% of the total population of Cape Agulhas municipal area falls in the economically active population (EAP) which is classified as individuals aged 15-65. The municipal area has a fairly young population and a large number of youth (age 0-14) are dependent on the economically active population. This has an effect on education and job creation. The table below indicates the population by age categories:

Age group	Percentage of population
0-4	7.7
5-9	8.3
10-14	9
15-19	8.4
20-24	7.8
25-29	6.9
30-34	6.5
35-39	8
40-44	8.2
45-49	6.2
50-54	5.6

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Age group	Percentage of population
55-59	3.9
60-64	4.7
65-69	4.2
70-74	2.1
75+	2.5

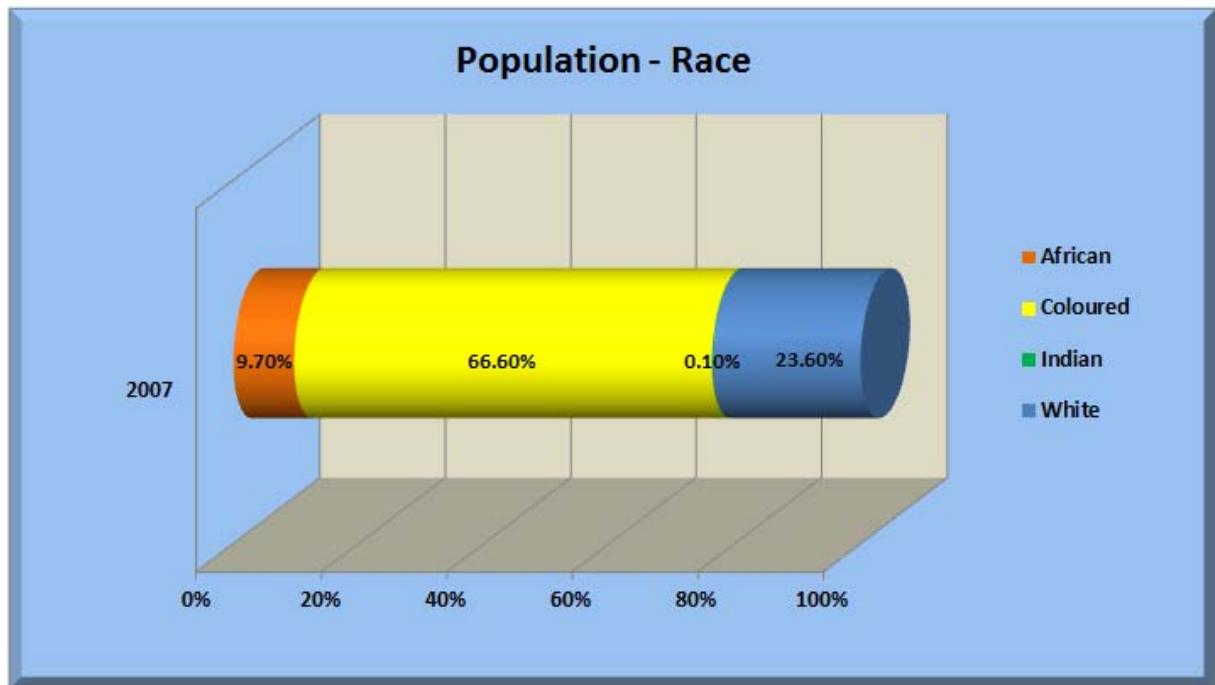
Table 7: Demographic information of the municipal area Age

D) POPULATION BY RACE CATEGORIES

Population - Racial	2007
African	9.7%
Coloured	66.6%
Indian	0.1%
White	23.6%
Total	100%

Table 8: Demographic information of the municipal area – Race categories

The graph below shows the population by race.



Graph 3: Population by race

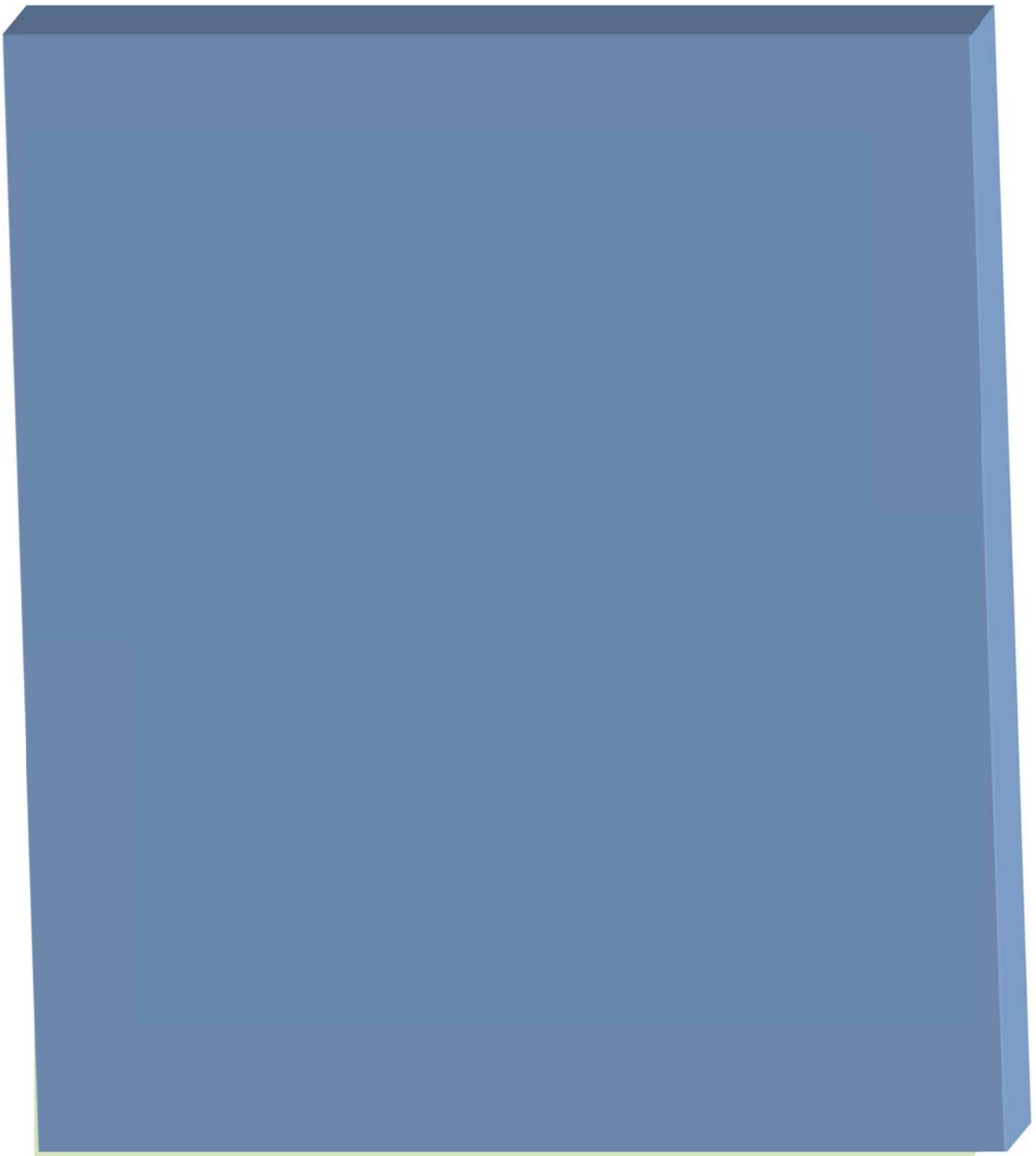
1.1.4 MUNICIPAL CHALLENGES

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The following general challenges are experienced by the municipality:

CHALLENGES	ACTIONS TO ADDRESS CHALLENGE
Obtaining a clean audit report	<ul style="list-style-type: none"> • Establish an internal audit unit • Training of staff in financial management
Increase revenue	<ul style="list-style-type: none"> • Encouraging investment • Increase payment percentage of debtors and fines • Establishment of internal debtor collections unit • Review policies
Effective expenditure management	Implement internal control mechanisms
Supporting emerging contractors/suppliers within supply chain policy	<ul style="list-style-type: none"> • Amend policy • Train contractors/suppliers
Upgrading of ICT system to comply with legislative and operational requirements	Upgrade electronic network
Job creation	Participation in key catalyst job creation projects
Provision of GAP housing	Unlock GAP Housing project currently underway
Establishment and functioning of internal audit unit	<ul style="list-style-type: none"> • Establish internal audit unit • Provide training and conclude agreement with service provider
Establishment of bio energy renewal programme	Implement programme according to project plan
Sufficient accommodation for staff	Source funding for extension of municipal building in Bredasdorp
Completion of TASK job descriptions and implementation thereof	Appointment of external service providers to complete by end of June 2012
Lack of funding for critical infrastructure	Source funding for infrastructure development programs
Establishment of an optimal functioning LED Agency	<ul style="list-style-type: none"> • Raising of awareness of function of LED Agency • Sourcing funding through network
Youth development	Establish a youth programme and financing thereof
Maintenance of assets	<ul style="list-style-type: none"> • Compile and maintain asset register • Compile maintenance plan and financing thereof
Effective use of assets	<ul style="list-style-type: none"> • Undertake land audit • Evaluation of assets
Institutional development	<ul style="list-style-type: none"> • Review policies, bylaws and municipal codes • Procure and implement software programmes • Train staff • Implement Employment Equity targets
Improve water quality at coastal towns	Develop water sources
Reducing carbon footprint	<ul style="list-style-type: none"> • Expand recycling project • Establish bio energy project • Reduce electricity use
Risk management	Establish risk management unit

Table 9: Municipal Challenges



CHAPTER 2: Governance

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

KPA & INDICATORS	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2008/09	2009/10	2010/11
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	92.1	100	85.7

Table 10: National KPIs - Good Governance and Public Participation Performance

2.2 PERFORMANCE HIGHLIGHTS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Highlight	Description
High percentage of legal compliance	Limited court action instituted against the municipality
Effective ward participation system	Ward committee system functioning optimally
Unqualified audit report	Unqualified audit report for over twelve years
Effective public participation mechanisms	Continued public participation through press releases, sms system, effective ward committee system and distribution of pamphlets

Table 11: Good Governance and Public Participation Performance Highlights

2.3 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Description	Actions to address
Establishment of internal audit unit	Interns appointed, to be trained, service provider appointed
Expansion of accommodation of Xhosa speaking community in information dissemination	Xhosa translation and community meetings to be held
No staff allocated to risk function	Appoint official to perform risk function, appoint service

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Description	Actions to address
	provider to assist
Lack of legal expertise	Training to be provided to ensure legal compliance by staff
Reaching of Employment Equity targets	Mentorship, training of staff according to skills gap

Table 12: Good Governance and Public Participation Challenges

2.4 GOVERNANCE STRUCTURE

2.4.1 POLITICAL GOVERNANCE STRUCTURE

The council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and the Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, Councilors are also actively involved in community work and the various social programmes in the municipal area.

A) COUNCIL

Below is a table that categorised the councilors within their specific political parties and wards **before** the 18 May 2011 election:

Name of Councillor	Capacity	Political Party	Ward/Proportional
R Mitchell	Executive Mayor	ANC	Proportional
D Jantjies (Resigned as councillor in March 2011)	Executive Deputy Mayor	ANC	Ward 3
J October (Member of MAYCO from November 2010, Deputy Mayor from March 2011)	Member of MAYCO	ANC	Ward 4
M Smal (Speaker from November 2010, member of MAYCO before)	Speaker	ANC	Ward 2
E Marthinus (Resigned as speaker in November 2010)	District representative	ANC	Proportional
R Adams (From 1 September 2010, member of Mayco from March 2011)	Ward Councillor/ Member of MAYCO	ANC	Ward 5
J Lochner	Councillor	ACDP	Proportional

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Name of Councillor	Capacity	Political Party	Ward/Proportional
J Nieuwoudt	Ward Councillor	DA	Ward 1
T Thiel	Councillor	DA	Proportional
A Coetzee	Councillor	DA	Proportional

Table 13: Council until 18 May 2011

Below is a table that categorised the councillors within their specific political parties and wards **after** the 18 May 2011 election:

Name of Councillor	Capacity	Political Party	Ward/Proportional
R Mitchell	Executive Mayor	ANC	Ward 3
D Jantjies	Executive Deputy Mayor	Independent	Ward 2
R Mokotwana	Member of MAYCO	ANC	Proportional
E Marthinus	Speaker	ANC	Proportional
P Atyhosi	District representative	ANC	Proportional
D Burger	Ward Councillor	DA	Ward 5
W October	Ward Councillor	DA	Ward 1
J Nieuwoudt	Ward Councillor/ District representative	DA	Ward 4
A Coetzee	Councillor	DA	Proportional

Table 14: Council after 18 May 2011

Below is a table which indicates the Council meetings attendance for the 2010/11 financial year:

Meeting dates	Council Meetings Attendance (%)	Apologies for non-attendance (%)
28 July 2010	70	20
31 August 2010	90	10
16 September 2010	80	20
29 September 2010	80	20
04 October 2010	90	10
09 November 2010	90	10
19 November 2010	90	10
01 December 2010	90	10
14 December 2010	80	20
26 January 2011	90	10

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Meeting dates	Council Meetings Attendance (%)	Apologies for non-attendance (%)
02 February 2011	90	10
23 February 2011	90	10
01 March 2011	70	30
28 March 2011	90	10
30 March 2011	80	20
07 April 2011	80	10
10 May 2011	80	10

Table 15: Council meetings

B) EXECUTIVE MAYORAL COMMITTEE

The Executive Mayor of the Municipality, **Councillor R. Mitchell**, assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, assigned by legislation and delegated by Council. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in concert with the Mayoral Committee.

The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 1 July to 18 May:

Name of member	Capacity
R Mitchell	Executive Mayor
D Jantjies	Executive Deputy Mayor before resigning in March 2011
J October (Member of MAYCO from November 2010, Deputy Mayor from March 2011)	Member from November 2010, Executive Deputy Mayor from March 2011
M Smal	Member until November 2010
R Adams	Member from March 2011 until 18 May 2011

Table 16: Executive Mayoral Committee until 18 May 2011

The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 26 May to 30 June 2011:

Name of member	Capacity
R Mitchell	Executive mayor
D Jantjies	Executive Deputy mayor
R Mokotwana	Member

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Table 17: Executive Mayoral Committee after 18 May 2011

The table below indicates the dates of the Mayoral Committee meetings and the number of reports submitted to Council for the 2010/11 financial year:

Meeting date	Number of attendees	Number of reports/items submitted to council	IN-Committee meetings
07 July 2010	3	1	No
27 July 2010	3	19	Yes
30 July 2010	3	1	No
10 August 2010	3	1	No
31 August 2010	3	20	Yes
07 September 2010	3	1	No
17 September 2010	3	1	No
28 September 2010	3	15	Yes
29 September 2010	3	1	No
11 October 2010	3	1	No
26 October 2010	3	25	Yes
28 October 2010	3	1	No
11 November 2010	3	1	No
17 November 2010	3	1	No
24 November 2010	3	1	No
30 November 2010	3	12	Yes
15 December 2010	3	1	No
20 January 2011	3	1	No
25 January 2011	3	14	Yes
03 February 2011	3	1	No
22 February 2011	3	17	Yes
28 February 2011	3	1	No
16 March 2011	3	1	No
29 March 2011	3	23	Yes
03 May 2011	3	1	No
13 May 2011	3	1	No
17 May 2011	3	1	No
01 June 2011	3	1	No
07 June 2011	3	1	No
10 June 2011	3	1	No
22 June 2011	3	1	No

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Meeting date	Number of attendees	Number of reports/items submitted to council	IN-Committee meetings
23 June 2011	3	1	No
24 June 2011	3	1	No
28 June 2011	3	15	Yes

Table 18: Mayoral Committee Meetings

(Please note that the name and functions of the committees have on numerous occasions been altered due to the change of council.)

c) PORTFOLIO COMMITTEES

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive mayor on policy matters and make recommendations to the executive mayor. Section 79 committees are temporary and appointed by the council as needed. They are usually set up to investigate a particular issue and do not have any decision making powers, except those delegated to them by council. Once their *ad hoc* task had been completed, Section 79 committees are usually disbanded. External experts, as well as Councillors can be included on Section 79 committees.

The portfolio committees for the 2006/11 Mayoral term and their Chairpersons before 18 May 2011 are as follow:

Committee	Chairperson	Section 79 or 80 Committee	Meeting Date
Public Works (Civil- & Electro Mechanical Engineering)	D Jantjies	80	20 July 2010 24 Augustus 2010 20 September 2010 19 October 2010 23 November 2010 18 January 2011 15 February 2011 22 March 2011
Community Services	M Dennis/R Adams	80	20 July 2010 24 Augustus 2010 20 September 2010 19 October 2010 23 November 2010 18 January 2011 15 February 2011 22 March 2011
Finance and Corporate services	E Marthinus	80	20 July 2010 24 Augustus 2010 20 September 2010

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Committee	Chairperson	Section 79 or 80 Committee	Meeting Date
			19 October 2010
			23 November 2010
			18 January 2011
			15 February 2011
			22 March 2011

Table 19: Portfolio Committees before 18 May 2011

The portfolio committees for the 2006/11 Mayoral term and their Chairpersons after 18 May 2011 are as follow:

Committee	Chairperson	Section 79 or 80 Committee	Meeting Date
Engineering Services	D Jantjies	80	
Community Services	R Mitchell	80	
Finance and Corporate services	E Marthinus	80	No meetings held from the election to end of the 2010/11 financial year

Table 20: Portfolio Committees after 18 May 2011

(Please note that the name and functions of the committees have on numerous occasions changed due to the change of council)

2.4.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team, whose structure is outlined in the table below:

Name of Official	Department	Performance agreement signed
		Yes/No
Reynold Stevens	Municipal Manager	Yes
Santu Ngwevu	Director: Corporate Services	Yes
Hendrick Schlebusch	Director: Finance	Yes
Jonathan Marthinus	Director: Community Services	Yes
Norwood Kotze	Director: Civil Engineering Services	Yes
Pieter Everson	Assistant Director: Electro Mechanical Engineering Services	No

Table 21: Administrative Governance Structure

2.5 PUBLIC ACCOUNTABILITY

Section 16 of the Municipal Systems Act (MSA) refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the community. Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- preparation of the municipal budget.

2.5.1 WARD COMMITTEES

The ward committees support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

Ward 1: Napier, Elim, Haasvlakte and surrounding farms

Name of representative	Capacity representing	Dates of public ward meetings held during the year
Cllr. John October	Chairperson	
GF de Kock	Napier Agricultural Association	
JE Wessels	DR Church and House Klippe drift, Napier	21 September 2010
J Snyders	Haasvlakte Farmers Association	26 October 2010
J Stevens	Protea Primary School	11 November 2010
WA Simons	VG Church, Napier	23 November 2010
J Booyse	AGS Church	14 December 2010
E Day	Napier Ratepayers Association	20 January 2011
V Makwakwa	Transit Camp	15 February 2011
PJ Swart	Elim Overseers Council	22 March 2011
E Marais	Spanjaardskloof	19 April 2011
P Appolis	Spanjaardskloof	

Table 22: Ward 1 Committee Meetings

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Ward 2: Part of Bredasdorp, Klipdale, Protom and surrounding farms

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Cllr. Margaret Smal	Chairperson	
W Abrahams	Individual	
A Gertse	Protom	
J Karelse	Protom	
F Mguga	Individual	
E Wilchutte	Klipdale	
J Siljeur	Liefdesnessie	
J Simons	Individual	
L Swartz	Individual	
M de Jager	Individual	
C September	Klipdale	

Table 23: Ward 2 Committee Meetings

Ward 3: Part of Bredasdorp (Selfbou area, Kleinbegin, Zwelitsha, Kalkoonde area, Volstruiskamp)

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Cllr. Dirk Jantlies	Chairperson	
E Green	Bet-Ell Church	
F Bungwa	Individual	
L Martinus	Individual	
MR Mokotwana	Soccer	
MA Mxhonya	Individual	
W Prins	Individual	
M Thompson	Cosatu	
P Europa	Individual	
F Hendricks	Woman's league	
F Billet	Individual	

Table 24: Ward 3 Committee Meetings

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Ward 4: Part of Bredasdorp

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
Cllr. Johan Nieuwoudt	Chairperson	
S Stemmet	Cape Agulhas Tourism Bureau	
J Wilson	Suideroord	
L Marais	Individual	
R Visser	Bredasdorp Primary School	
JS Bester	DG Church, Bredasdorp	
C Khun	Individual	
D Gillomee	Otto du Plessis Hospital	
HP Odendaal	Individual	
M Oosthuizen	Community	
SJE van Dyk	ACVV	
M Greef	Community	

Table 25: Ward 4 Committee Meetings

Ward 5: Aniston, Struisbaai, L'Agulhas, Suiderstrand and surrounding farms

Name of representative	Capacity representing	Dates of quarterly public ward meetings held during the year
R Adams	Chairperson	
A Marthinus	Waenhuiskrans Primary	
R Haarburger	Arniston Hotel/Cottages	
D Europa	Fisherman's Union	
C Groenewald	Struisies playschool	
M Ahrendse	St Mary's church	
H Joost	Caeda	
T Matheunis	Struisbaai Rugby Club	
J Gertse	Assemblies of God	
W du Plessis	Suiderster	
D Burger	L'Agulhas Local Management Committee	

Table 26: Ward 5 Committee Meetings

Additional Meetings with the public

Meeting	Matters Discussed	Date
Housing	Housing consumer education, Bredasdorp	12 Augustus 2010
Housing	Housing consumer education, Bredasdorp	30 August 2010
Housing	Housing consumer education, Napier	31 August 2010
Housing	Housing consumer education, Struisbaai	1 September 2010
Housing	Housing consumer education, Bredasdorp	27 October 2010
Housing	Housing meeting, Napier	10 March 2011
Housing	Housing meeting, Napier	11 May 2011
Housing	Housing meeting, Napier	1 June 2011
Housing	Housing meeting with Zwelitsha residents	9 June 2011
Freedom Day Festivities	Value of Freedom Day and Human Rights	27 April 2011
Abuse of elderly people	National day for protection and raising of awareness against abuse of elderly people	12 June 2011
World Environment Day	Information meeting	10 June 2011
Long street upgrade	Maintenance programme and insurance claims	4 March 2011 15 April 2011 7 September 2010 4 November 2010
Recycling project	Information meeting	26 May 2011
SAHRA Kassiesbaai upgrade	Maintenance programme	3 November 2010
Water Resource management	Information meeting	17 November 2010

Table 27: Additional Public Meetings

2.5.2 FUNCTIONALITY OF WARD COMMITTEE

The purpose of a ward committee is:

- to get better participation from the community to inform council decisions;
- to make sure that there is more effective communication between the Council and the community; and
- to assist the ward councilor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and should be representative. The ward councilor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councilor who makes specific submissions directly to the council. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

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The table below provides information on the establishment of Ward Committees and their functionality. Regarding Ward 5, it should be noted that the applicable Councillor resigned in June 2010 and a by-election was held. Due to time lapse to the next by-election, this ward was without a Councillor and therefore their ward committee did not function optimally:

Ward Number	Committee established Yes / No	Number of reports submitted to the Speakers Office	Number meetings held during the year	Committee functioning effectively Yes / No
1	Yes	9	9	Yes
2	Yes	7	7	Yes
3	Yes	9	9	Yes
4	Yes	7	7	Yes
5	Yes	10	10	Yes

Table 28: Functioning of Ward Committees

2.5.3 REPRESENTATIVE FORUMS/COMMITTEES

A) LABOUR FORUM

The table below specifies the members of the Local Labour forum for the 2010/11 financial year:

Name of representative	Capacity	Meeting dates
SS Ngwevu	Director	
NL Kotze	Director	
D Jantjies	Councillor	
J Lochner	Councillor	
J October	Councillor	
P Olivier	IMATU	
CJ Arends	IMATU	
J Jaars	SAMWU	8 July 2010 10 October 2010 2 September 2010 7 October 2010 12 November 2010 3 February 2011 8 March 2011 7 April 2011
RT Olivier	SAMWU	
G Le Roux	SAMWU	
C Gabriels	SAMWU	

Table 29: Labour Forum

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B) IDP FORUM (CAPE AGULHAS MUNICIPAL ADVISORY FORUM)

Name of representative	Capacity	Meeting dates
Cllr Richard Mitchell	Executive Mayor	
Cllr John October	Ward 1 Councilor	
Cllr Margaret Smal	Ward 2 Councilor	
Cllr Dirk Jantjies	Ward 3 Councilor	
Cllr Johan Nieuwoudt	Ward 4 Councilor	
Cllr Rasheed Adams	Ward 5 Councilor	
Cllr Eve Marthinus	Councilor	
Cllr Attie Coetsee	Councilor	
Reynold Stevens	Municipal Manager	
Jonathan Marthinus	Director: Community Services	
Norwood Kotze	Director: Civil Engineering Services	
Sam Ngwevu	Director: Corporate Services	
Piet Evertson	Assistant Director: Electro-mechanical Services	
Eben Phillips	Manager: IDP	
Luzeth Smith	Manager: Human Development	
Jannie Booyen	Ward 1 Ward Committee	
Wilmine Abrahams	Ward 2 Ward Committee	31 January 2011
Felicia Bunga	Ward 3 Ward Committee	
Jan L venter	Ward 4 Ward Committee	
André Marthinus	Ward 5 Ward Committee	
David Frost	Department of Community safety	
André Enslin	Department of Culture, Arts & Sport	
Timothy Jende	Department of Local Government	
J Stephanus	SASSA	
Rulien Volschenk	Overberg District Municipality	
Alliston Appel	SANParks	
Engela Genis	Department of Health	
Hennis Germishuys	Department of Agriculture	
Hilda Mageni-Edwards	Department of Rural Development & Land Reform	
Sizwe Mcinjana	Department of Social Development	
Angela Millar	Cape Agulhas Tourism	
Lesley Richardson	Flower Valley Conservation Trust	
Urban Simons	Bredasdorp Small farmers Association	

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Name of representative	Capacity	Meeting dates
Betele Xhoma	Bredasdorp Taxi Association	
Pat Olivier	Bredasdorp Community Police Forum	
Ora Laubscher	Suidernuus Newspaper	

Table 30: IDP Forum

c) RISK COMMITTEE

Name of representative	Capacity	Meeting dates
Oscar January	Manager Communication & Client Services	10 January 2011 7 March 2011
Sam Ngwevu	Director: Corporate Services	
Francois du Toit	Building Control Officer	
Paul Bezuidenhout	Area manager: Struisbaai	
Jeffrey Diedericks	Labour Relations Officer	
Johan Jamneck	Internal Audit/ Manager: Expenditure	
Walter Linnert	Manager: Refuse Removal and Water Quality	
Deon Wasserman	Manager: Water and Sanitation	
John Daniels	Manager: Streets and Storm Water	
Pieter Everson	Assistant Director: Electro Mechanical Engineering	
Bridget Salo	Manager: Human Resources	
Roberto Sefoor	Supply Chain Management Officer	

Table 31: Risk Committee

2.6 CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.6.1 ANTI-CORRUPTION AND ANTI-FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices.

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Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

A) DEVELOPED STRATEGIES

Name of strategy	Developed Yes/No	Date Adopted
Anti-corruption strategy	Yes	2 December 2010
Fraud prevention strategy	Yes	2 December 2010

Table 32: Strategies

B) IMPLEMENTATION OF STRATEGIES

Key Risk Areas	Key measures to curb corruption and fraud
Policy	A fraud and corruption policy is a key defence mechanism because it highlights the fact that the institution has a formal framework in place for dealing with fraud and corruption. It answer key questions such as: <ul style="list-style-type: none"> ➢ What is fraud and corruption? ➢ How do we deal with it when arises? ➢ What are the roles and responsibilities? ➢ What are the sanctions?
Institutional arrangements	The creations of specific structures (e.g. a fraud committee) and the definition of roles and responsibilities enable coordination and management of programme implementation. At a municipal level these would include structures such as internal audit and the external audit committee
Systems and control	Having well-structured and documented systems and controls in place nullifies gaps and loopholes that are often used to perpetrate fraud and corruption. These systems and controls also enable monitoring and management mechanism that will facilitate detection where there are attempts to override or circumvent such systems and controls. Importantly, systems and controls will ensure compliance with policies and regulations. Supply chain management is a good example of where systems and controls are crucial in preventing fraud and corruption
Fraud and Corruption Risk Management	All organisations have systems and controls in place with varying levels of structure and detail. Despite this, organisations are still vulnerable to fraud and corruption because systems and controls are not properly implemented or their inherent gaps and weaknesses can be exploited. Conducting fraud and corruption risk assessments enables organisations to test the integrity and completeness of their systems and controls with a view to implementing measures that strengthen areas of weakness and closing gaps. This approach proactively allows the organisation to prevent fraud and corruption
Training, Awareness and Communication	Making managers, staff, suppliers and customers aware of the risks of fraud corruption, how to deal with it, what the consequences are and why it is important to prevent and fight it is a key weapon in building up an organisational culture that opposes fraud and corruption. Through training managers and staff could be made aware what to watch out for so that they do not willingly or unwillingly participate in acts of fraud and corruption. Communicating successes in dealing with fraud and corruption serves as deterrent to others and builds the corporate image of an institution

Table 33: Implementation of the Strategies

2.6.2 AUDIT COMMITTEE/S

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance management; and
- effective governance.

A) FUNCTIONS OF THE AUDIT COMMITTEE

The Audit Committee has the following main functions as prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003, and the Local Government Municipal and Performance Management Regulation, 2001:

- To advise the Council on all matters related to compliance and effective governance.
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual DoRA and other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- Carry out such investigations into the financial affairs of the municipality as council may request.
- To review the quarterly reports submitted to it by the internal audit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- To evaluate the compliance to existing policies and relevant legislation.
- To evaluate audited financial statements and reports with regard to the procurement of items and services.
- The compilation of reports to Council, at least twice during a financial year.
- To review the performance management system and make recommendations in this regard to Council.
- To assess whether the performance indicators are sufficient.
- To determine possible reasons for discrepancies between performance and targets.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimized.
- To review significant transactions that does not normally form part of Council's business.
- To review the disaster recovery plans.
- To review the annual report of the municipality;

- Investigating cases of fraud, misbehaviour and conflict of interest involving employees.
- To focus on and review changes in the accounting policies.
- Making recommendations to Council and also carrying out its responsibility to implement the recommendations.
- Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Review audit results and action plans implemented by management.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

The Audit Committee of the Cape Agulhas Municipality comprises:

Name of representative	Capacity	Meeting dates
P Luttig	Chairperson	18 August 2010 24 January 2011
E Lakey	Member	
J Pieterse	Member	
Vacancy	Member	

Table 34: Members of the Audit Committee

2.6.3 PERFORMANCE AUDIT COMMITTEE

The Regulations require that the performance audit committee is comprised of a minimum of three members, the majority of whom are external (neither a councillor nor an employee) of the municipality. Section 14(2) (b) of the Regulations further stipulates that the performance audit committee must include at least one person who has expertise in performance management. It is also a requirement of the Regulations in Section 14(2)(d) that the Council of a municipality designate a member of the performance audit committee who is neither a councillor nor an employee of the municipality as the chairperson of the committee.

Section 14(3) (a) of the Regulations requires that the performance audit committee of a municipality must meet at least twice during each financial year. However, additional special meetings of the performance audit committee may be called for by any member of the committee, where sufficient justification exists in terms of Section 14(3) (b) of the Regulations.

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A) FUNCTIONS OF THE PERFORMANCE AUDIT COMMITTEE

In terms of Section 14(4) (a) of the Regulations the performance audit committee has the responsibility to -

- (i) review the quarterly reports produced and submitted by the internal audit process;
- (ii) review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and
- (iii) at least twice during each financial year submit a performance audit report to the council of the municipality.

B) MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE

The Performance Audit Committee of the Cape Agulhas Municipality comprises:

Name of representative	Capacity	Meeting dates
M Weitz	Chairperson	24 January 2011
A. Kok	Member	

Table 35: Members of the Performance Audit Committee

2.6.4 INTERNAL AUDITING

Section 165 (2) (a), (b)(iv) of the MFMA requires that:

The internal audit unit of a municipality must -

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
- (c) risk and risk management.

The Municipality has an In-house Internal Audit function consisting of the Manager, 1 auditor and 1 assistant internal auditor, of which 1 post was vacant for the full year and the assistant internal auditor's post was filled with effect from 1 December 2010. The internal audit unit is no longer outsourced to PWC and an internal audit section had been created within the municipality during 2010/11. The municipality made an agreement with the DBSA to capacitate and head the internal audit unit. Unfortunately, the designated official of the DBSA was reassigned and the agreement could not be implemented. The section currently consists of one internal auditor and two interns.

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Below are the functions of the Internal Audit Unit that was performed during the financial year under review:

Function	Date/Number
Risk analysis completed/reviewed	No
Risk based audit plan approved for 2010/11 financial year	No
Internal audit programme drafted and approved	Drafted but not approved
Number of audits conducted	20

Table 36: Internal Audit Functions

2.6.5 AUDITOR GENERAL

Cape Agulhas Local Municipality was audited by the Auditor-General of South Africa in terms of section 188 of the Constitution and section 4 of the Public Audit Act and section 126 of the MFMA and the audit report for the financial year under review is in Annexure B of this report.

2.6.6 BY-LAWS AND POLICIES

Section 11 of the MSA gives municipal Councils the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted
Record Management Policy	28 July 2010
Equal Employment Committee Reference Framework	31 August 2010
Training and Development Reference Framework	31 August 2010
Mayor's Bursary Policy	29 September 2010
Scares and Critical Skills Policy	29 September 2010
Policy: Public Open Places, Trees and Greening	29 September 2010
Administrative Policy: Housing	29 September 2010
Anti-corruption and Ant-fraud Prevention Policy	1 December 2010
Policy: Acknowledgement of Aldermanship	1 December 2010
Revised Donation policy	1 December 2010
Revised Procurement Policy	1 December 2010
Revised Home Shop Policy	29 January 2011
Cape Agulhas Youth Policy	29 January 2011
New Preferential procurement Policy	30 March 2011

Table 37: Policies

2.6.7 COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

To be successful, communications must focus on the issues that are shown to impact on the residents' perceptions, quality of service, value for money and efficiencies. They should ideally look to close the communication-consultation loop, i.e. tell people how they can have a say and demonstrate how those who have given their views have had a real impact.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication unit	Yes
Communication strategy	Yes
Communication Policy	Yes
Customer satisfaction surveys	Yes (telephonic surveys only)
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes

Table 38: Communication Activities

2.6.8 WEBSITES

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

Documents published on the Municipal website	Date Published
Current annual and adjustments budgets and all budget-related documents, including SDBIP	Yes
Tariff policy	Yes
Credit control policy	Yes
Valuation policy	Yes
Rates policy	Yes

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Documents published on the Municipal website	Date Published
SCM policy	Yes
Annual report for 2009/10	Yes
Annual Financial Statements for 2009/10	Yes
All service delivery agreements for 2009/10	Yes
All supply chain management contracts above the prescribed value for 2009/10	Yes
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2010/11	Yes
All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2010/11	Yes

Table 39: Website Checklist

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CHAPTER 3: ORGANISATIONAL DEVELOPMENT PERFORMANCE

3.1 NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

KPA & Indicators	Municipal Achievement		
	2008/09	2009/10	2010/11
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	12 of 27	14 of 27	15 of 27
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	100	100	96

Table 40: National KPIs – Municipal Transformation and Organisational Development

3.2 PERFORMANCE HIGHLIGHTS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Highlight	Description
Organogram	Complete revision and approval of the municipality's organogram

Table 41: Performance Highlights – Municipal Transformation and Organisational Development

3.3 CHALLENGES – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Challenge	Actions to address challenge
Development of transformation related policies	Capacity within the Human Resources section should be reviewed and expanded accordingly to address the challenge.
Implementations of Employment Equity Plan and Act	Appointment of disabled people
Insufficient Office Accommodation to staff	Secure funds for the new improved office building to provide more office space to staff.

Table 42: Challenges – Municipal Transformation and Organisational Development

3.4 INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Cape Agulhas Municipality currently employs **284** officials (excluding non-permanent positions), who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

3.4.1 EMPLOYMENT EQUITY

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

A) EMPLOYMENT EQUITY TARGETS/ACTUAL

Occupational Levels		MALE				FEMALE				TOTAL
		A	C	I	W	A	C	I	W	
Top Management	Target	0	0	0	0	0	0	0	0	0
	Actual	0	4	0	3	0	2	0	1	10
	% Reach	-	-	-	-	-	-	-	-	-
Senior Management	Target	2	3	0	15	3	3	0	3	29
	Actual	1	7	0	10	0	3	0	1	22
	% Reach	50	233	-	67	0	100	-	33	76
Professionally qualified and experienced specialists and mid-management	Target	1	3	0	4	1	2	0	2	13
	Actual	0	6	0	4	0	2	0	1	13
	% Reach	0	200	-	100	0	100	-	50	100
Skilled technical and academically qualified workers, junior management, supervisors, for men, and superintendents	Target	9	16	0	13	10	23	0	26	97
	Actual	2	24	0	7	3	31	0	17	84
	% Reach	22	150	-	54	30	135	-	66	87

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Occupational Levels		MALE				FEMALE				TOTAL
		A	C	I	W	A	C	I	W	
Semi-skilled and discretionary decision making	Target	3	39	0	7	7	9	0	9	74
	Actual	4	43	0	2	0	0	0	0	49
	% Reach	133	110	-	29	0	0	-	0	66
Unskilled and defined decision making	Target	16	77	0	18	16	25	0	19	171
	Actual	11	71	0	0	3	31	0	0	116
	% Reach	69	92	-	0	19	124	-	0	68
TOTAL PERMANENT	Target	31	138	0	57	37	62	0	59	384
	Actual	18	155	0	26	6	69	0	20	294
	% Reach	58	112	-	46	16	11	-	34	77

Table 43: 2009/10 EE targets/actual

Please note that the information above covers the period October 2009 to June 2010 and exclude the months of July, August and September 2009.

B) EMPLOYMENT EQUITY VS. POPULATION

Description	African	Coloured	Indian	White	Total
Population numbers	2 568	17 632	26	6 248	26 474
% Population	9.7%	66.6%	0.1%	23.6%	100%
Number for positions filled (including councillors)	24	224	0	46	294
% for Positions filled	8.2%	76.2%	0%	15.6%	100%

Table 44: EE population 2010/11

C) OCCUPATIONAL LEVELS - RACE

The table below categories the number of employees by race within the occupational levels:

Occupational Categories	Posts filled								Total	
	Male				Female					
	A	C	I	W	A	C	I	W		
Senior officials and managers	1	7	0	10	0	3	0	1	22	
Professionals	0	0	0	4	0	0	0	0	4	
Technicians and associate professionals	0	6	0	1	0	2	0	1	10	
Clerks	1	8	0	1	3	24	0	11	48	

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Occupational Categories	Posts filled								Total	
	Male				Female					
	A	C	I	W	A	C	I	W		
Service and sales workers	1	16	0	4	0	7	0	6	34	
Craft and related trades workers	1	18	0	1	0	0	0	0	20	
Plant and machine operators and assemblers	2	25	0	2	0	0	0	0	30	
Elementary occupations	11	71	0	0	3	31	0	0	116	
Total permanent	18	151	0	23	6	67	0	19	284	
Non- permanent	0	0	0	0	0	0	0	0	0	
Grand total	18	151	0	23	6	67	0	19	284	

Table 45: Occupational Levels

D) OCCUPATIONAL LEVELS - RACE

The table below categorises the number of employees by race within the occupational levels (including Councillors):

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	0	4	0	3	0	2	0	1	10
Senior management	1	7	0	10	0	3	0	1	22
Professionally qualified and experienced specialists and mid- management	0	6	0	4	0	2	0	1	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	2	24	0	7	3	31	0	17	84
Semi-skilled and discretionary decision making	4	43	0	2	3	31	0	0	49
Unskilled and defined decision making	11	71	0	0	3	31	0	0	116
Total permanent	18	155	0	26	6	69	0	20	294
Non- permanent employees	0	0	0	0	0	0	0	0	0
Grand total	18	155	0	26	6	69	0	20	294

Table 46: Occupational Levels

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E) DEPARTMENTS - RACE

The following table categories the number of employees by race within the different departments excluding Councillors:

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	0	3	0	1	0	3	0	3	10
Corporate Services	4	9	0	3	1	22	0	6	45
Financial Services	0	12	0	5	0	7	0	6	30
Community Services	2	30	0	5	4	19	0	3	63
Civil Engineering Services	11	84	0	3	1	16	0	1	116
Electro Mechanical Engineering Services	1	13	0	6	0	0	0	0	20
Total permanent	18	151	0	23	6	67	0	19	284
Non- permanent	0	0	0	0	0	0	0	0	0
Grand total	18	151	0	23	6	67	0	19	284

Table 47: Department - Race

3.4.2 VACANCY RATE

The approved organogram for the municipality had **342** posts for the 2010/11 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. **58** posts were vacant at the end of 2010/11, resulting in a vacancy rate of **17%**.

Below is a table that indicates the vacancies within the municipality:

Per post level		
Post level	Filled	Vacant
MM & MSA section 57 & 56	5	0
Middle management	17	2
Admin Officers	96	25
General Workers	166	31
Total	284	58
Per Functional area		
Executive	10	9
Finance and Administration	120	11
Public safety	18	2
Technical services	136	36
Total	284	58

Table 48: Vacancy rate per post and functional level

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The table below indicates the number of staff per level expressed as total positions and current vacancies expressed as full time staff equivalents:

Salary Level	Number of current critical vacancies	Number total posts as per organogram	Vacancy job title	Vacancies (as a proportion of total posts per category)
Municipal Manager	0	1	n/a	0%
Chief Financial Officer	0	1	n/a	0%
Other Section 57 Managers	0	3	n/a	0%
Senior management	2	19	Manager: Housing: Manager: Financial Aid Services	10.5%
Highly skilled supervision	0	0	n/a	0%
Total	2	24	-	8.3%

Table 49: Vacancy rate per salary level

The following graph specify the vacancy rate as a percentage per salary level



Graph 4: Vacancy rate

3.4.3 TURNOVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate shows an **increase** from **1.1%** in 2009/10 to **2.8%** in 2010/11.

The table below indicates the turn-over rate over the last three years:

Financial year	Total no appointments at the end of each Financial Year	New appointments	No Terminations during the year	Turn-over Rate
2008/09	269	28	11	4.1%
2009/10	281	32	3	1.1%
2010/11	284	11	8	2.8%

Table 50: Turnover Rate

3.5 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analyzing and coordinating employee behavior.

3.5.1 INJURIES

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows a marked **decrease** for the 2010/11 financial year **49** employees injured against **100** employees injured in the 2009/10 financial year. The main reasons for the injuries were a lack of safety training and standardized working procedures, as well as the work environment e.g. construction work.

The table below indicates the total number of injuries within the different directorates:

Directorates	2008/09	2009/10	2010/11
Office of the Municipal Manager	0	1	0
Corporate Services	1	2	33
Financial Services	1	3	7
Community Services	5	25	2
Civil Engineering Services	26	57	6
Electro Mechanical Engineering Services	3	12	1
Total	36	100	49

Table 51: Injuries

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3.5.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of permanent employees that have taken sick leave during the 2010/11 financial year shows an **increase** when comparing it with the 2009/10 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

Department	2008/09	2009/10	2010/11
Office of the Municipal Manager	48	34	114
Corporate Services	418	490	457
Financial Services	308	181	208
Community Services	329	419	585
Civil Engineering Services	1053	717	1 088
Electro Mechanical Engineering Services	55	57	63
Total	2 211	1 898	2 515

Table 52: Sick Leave

3.5.3 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved and that still need to be developed:

Approved policies	
Name of policy	Date approved/ revised
HIV/AIDS policy	November 2006
Recruitment and selection policy	October 2008
Sexual harassment	September 2006
Cell Phone	12 September 2005
Skills development plan	30 June 2011
Acting Allowance policy	24 July 2009 (reviewed)
Scarce skills policy	29 September 2010
Policies still to be developed or reviewed	
Name of policy	
Employment Equity Plan 2011-2016	
Employment Equity Policy	
Revision of the Recruitment and Selection Policy	

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Internal Bursary Policy
Performance Policy
Revision of The HIV Policy
Revision of the Sexual Harassment Policy

Table 53: HR policies and plans

3.6 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

3.6.1 SKILLS MATRIX

The table below indicates the number of employees that received training in the year under review, including temporary staff that was also identified for training to enhance their skills:

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
MM and S57	Female	0	0
	Male	0	2
Legislators, senior officials and managers	Female	1	2
	Male	4	6
Professionals	Female	2	2
	Male	3	2
Associate professionals and Technicians	Female	0	0
	Male	4	4
Professionals	Female	2	2
	Male	3	2
Clerks	Female	10	11
	Male	5	1
Service and sales workers	Female	16	13
	Male	7	13
Craft and related trade workers	Female	0	0
	Male	0	0
Plant and machine operators and	Female	0	0

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Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
assemblers	Male	11	5
Elementary occupations	Female	33	25
	Male	64	56
Sub total	Female	62	53
	Male	98	89
Total		160	142

Table 54: Skills Matrix

3.6.2 SKILLS DEVELOPMENT – TRAINING PROVIDED

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

Occupational categories	Gender	Number of employees employed	Training provided within the reporting period					
			Learnerships		Skills programmes & other short courses		Total	
			Actual	Target	Actual	Target	Actual	Target
MM and S57	Female	0	0	0	0	0	0	-
	Male	6	0	0	2	0	2	0
Legislators, senior officials and managers	Female	5	0	0	2	1	2	1
	Male	18	0	0	6	4	6	4
Technicians and associate professionals	Female	0	0	0	0	0	0	-
	Male	16	1	1	3	3	4	0
Professionals	Female	8	1	1	1	1	2	2
	Male	7	0	0	2	3	2	3
Clerks	Female	33	0	0	11	10	11	10
	Male	13	0	0	1	5	1	5
Service and sales workers	Female	28	0	0	13	16	13	16
	Male	27	0	0	13	7	13	7
Craft and related trade workers	Female	0	0	0	0	0	0	-
	Male	0	0	0	0	0	0	-

Occupational categories	Gender	Number of employees employed	Training provided within the reporting period					
			Learnerships		Skills programmes & other short courses		Total	
			Actual	Target	Actual	Target	Actual	Target
Plant and machine operators and assemblers	Female	0	0	0	0	0	0	0
	Male	28	0	0	5	11	5	11
Elementary occupations	Female	62	0	0	25	33	25	33
	Male	101	0	0	56	64	56	64
Sub total	Female	136	1	1	52	61	53	62
	Male	216	1	1	88	97	89	98
Total		352	2	2	140	158	142	160
								(13)

Table 55: Skills Development

3.6.3 SKILLS DEVELOPMENT - BUDGET ALLOCATION

The table below indicates that a total amount of **R350 000** was allocated to the workplace skills plan and that **96%** of the total amount was spent in the 2010/11 financial year:

Total personnel budget	Total Allocated	Total Spend	% Spend
59 398 000	350 000	336 000	96%

Table 56: Budget allocated and spent for skills development

3.7 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

3.7.1 PERSONNEL EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past three financial years and that the municipality is well within the national norm of between 35 to 40%:

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Financial year	Total Expenditure salary and allowances (R'000)	Total Operating Expenditure (R'000)	Percentage (%)
2008/09	42 449	106 468	39.9
2009/10	49 505	139 328	35.5
2010/11	57 887	159 625	36.3

Table 57: Personnel Expenditure

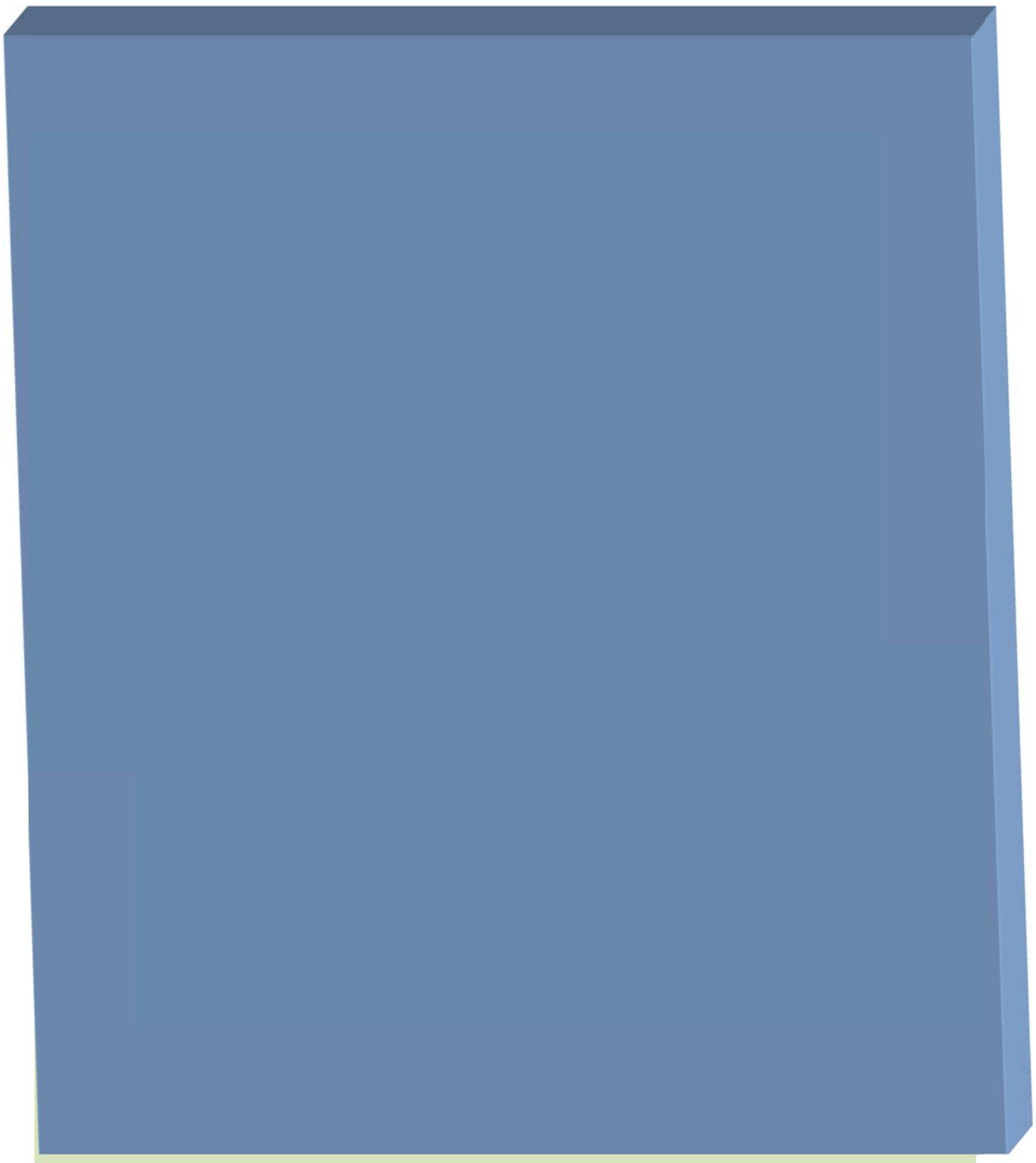
Below is a summary of Councillor and staff benefits for the year under review:

Financial year	2007/08	2008/09	2009/10	2010/11		
Description	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
<u>Councillors (Political Office Bearers plus Other) (R'000)</u>						
Salary	1 365	1 623	1 704	1 928	1 928	1 769
Pension Contributions	216	243	294	320	320	258
Medical Aid Contributions	9	10	11	12	12	13
Motor vehicle allowance	555	625	670	755	755	684
Cell phone allowance	111	124	133	147	147	134
Housing allowance	0	0	0	0	0	0
Other benefits or allowances	0	0	0	0	0	0
In-kind benefits	0	0	0	0	0	0
Sub Total	2 256	2 625	2 812	3 162	3 162	2 858
% increase/ (decrease)	(2.4)	16.4	7.1	12.4	0	(9.6)
<u>Senior Managers of the Municipality (R'000)</u>						
Pension Contributions	2 257	1 915	2 526	2 829	2829	2 807
Pension Contributions	322	342	457	509	509	512
Medical Aid Contributions	112	87	113	130	130	128
Motor vehicle allowance	273	354	318	296	296	378
Cell phone allowance	0	0	0	0	0	0
Housing allowance	0	0	0	0	0	0
Performance Bonus	171	103	331	516	516	436
Other benefits or allowances	32	86	129	79	79	125
In-kind benefits	0	0		0	0	0
Sub Total	3 167	2 887	3 874	4 359	4 359	4 386
% increase/ (decrease)	(23.6)	(8.8)	34.2	12.5	0	0.6
<u>Other Municipal Staff (R'000)</u>						
Basic Salaries and Wages	18 887	25 521	31 553	35 788	37 876	36 733
Pension Contributions	2 519	3 115	4 302	5 098	5 089	4 855
Medical Aid Contributions	1 295	1 581	1 841	1 506	1 570	1 611

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Financial year	2007/08	2008/09	2009/10	2010/11		
Description	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
Motor vehicle allowance	1 019	1 499	2 681	2 429	2 779	2 625
Cell phone allowance	0	0	0	0	0	0
Housing allowance	372	451	371	344	382	353
Overtime	1 032	1 229	1 539	2 295	1 861	1 937
Performance Bonus	0	0	0	528	0	0
Other benefits or allowances	1 319	2 127	1 301	800	4 837	1 860
Sub Total	26 443	35 523	43 588	48 788	54 394	49 974
% increase/ (decrease)	14.1	34.3	22.7	11.9	11.5	(8.3)
Total Municipality	31 866	41 035	50 274	56 309	61 915	57 218
Total Managers and Staff	29 610	38 410	47 462	53 147	58 753	54 360
% increase/ (decrease)	8.4	29.7	23.6	12	10.5	(7.5)

Table 58: Personnel Expenditure



CHAPTER 4: STRATEGIC PERFORMANCE

This chapter will provide information on the strategic performance of the municipality and will indicate how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This chapter speaks to the strategic performance highlights in terms of the Municipality's IDP, performance on basic service delivery and backlogs addressed the MIG projects as well as the spending priorities for the following year. It addresses the communication and public participation processes of the Municipality to give a holistic view of how the Municipality communicates performance to its stakeholders.

The Strategy map below specifies the strategic link of the focus areas of the Cape Agulhas municipality aligned with the National Key Performance Areas. The National Key Performance Areas is aligned with the Strategic Objectives that were identified in the 2010/11 reviewed IDP. The strategic objectives are linked to the outcomes for 2010/11. These alignments are directly link to the Cape Agulhas municipality's vision and mission.

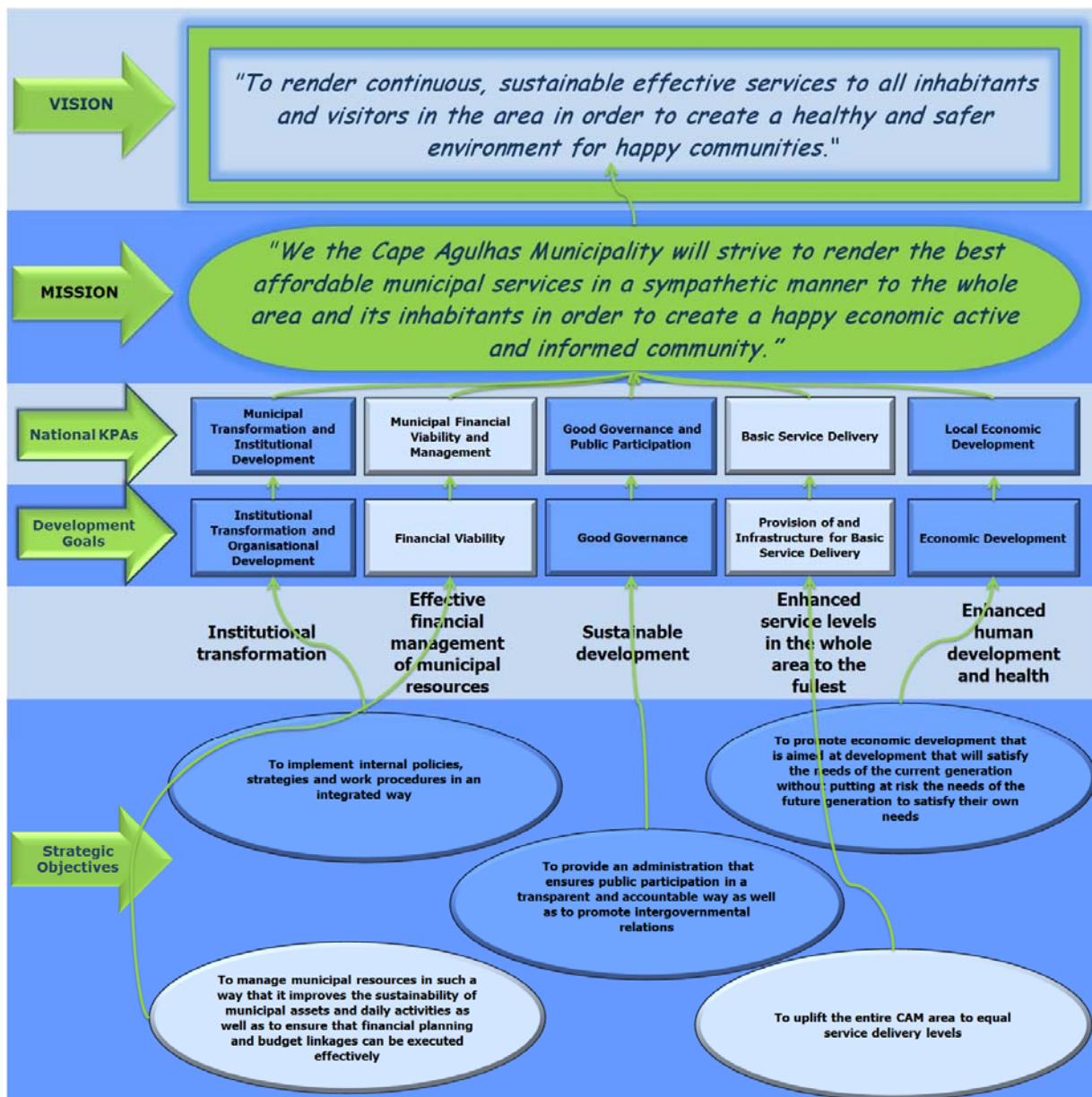


Figure 2: Strategy Map

The Municipal Systems Act, 2000 (Act 32 of 2000) and the Local Government: Municipal Planning and the Performance Management Regulations 2001 require municipalities to adopt a performance management system. Once the IDP and budget have been prepared and approved, the Municipality prepared their Service Delivery and Budget Implementation Plan (SDBIP) in accordance with the MFMA and MFMA Circular 13. The SDBIP indicates monthly performance targets, financial performance targets and assigns responsibility to execute the respective performance targets. The Municipality assessed its performance on a monthly basis and reported progress on

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performance against targets set to Council quarterly and ultimately presents the annual performance results in this annual report.

4.1 NATIONAL KEY PERFORMANCE INDICATORS – BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.

KPA & indicators	Municipal achievement		
	2008/09	2009/10	2010/11
<u>Basic Service Delivery</u>			
The percentage of households earning less than R 1 500 per month with access to free basic services	100	100	100
The percentage of households with access to basic level of water	100	100	100
The percentage of households with access to basic level of sanitation	100	100	100
The percentage of households with access to basic level of electricity	100	100	100
The percentage of households with access to basic level of solid waste removal	100	100	100
<u>Local economic development</u>			
The number of jobs created through municipality's local economic development initiatives including capital projects	78	115	87

Table 59: National KPIs – Basic Service Delivery and Local Economic Development

4.2 GENERAL PRIORITY AREAS

The following table indicates the specific areas in which challenges are experienced by the municipality. They are categorised in general priority areas that are aligned with the National Key Performance areas.

National Key Performance Area	Priority Area	Challenges	Actions to address challenges
Municipal Transformation and Institutional Development	Municipal Code; Employment equity	Out-dated bylaws and policies ; reaching employment equity targets	Review of bylaws and policies to align with strategic objectives; reserving certain posts for certain targets

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National Key Performance Area	Priority Area	Challenges	Actions to address challenges
Municipal Financial Viability and Management	Safeguarding revenue; expansion of CRR; optimal use of grants;	Levy of all levyable rates, taxes and services and increased debt collection; conclusion of long term loans ; optimal grant application and implementation	Audit of levyable rates, taxes, service and the establishment of a debt collections unit; conclusion of long term loans to protect CRR and effective cash management; grant sourcing and implementation according to agreements and contract management
Good Governance and Public Participation	Effective public participation; Legal compliance	Information to public in all three official languages in Western Cape in a timeous manner; ensuring that staff adhere to legal requirements	Use of Overberg Radio to disseminate information and to provide emergency messages; training in legal principles to all relevant staff

Table 60: General priority areas

4.3 STRATEGIC SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TOP LAYER)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The top layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements) The municipality compiled a top layer SDBIP for the first time in the 2010/11 financial year.

In the paragraphs below the performance achieved is illustrated against the top layer SDBIP according to the 5 National Key Performance Areas linked to the Municipal Key Performance Areas and IDP (strategic) Objectives.

The following figure illustrates the method in which the strategic service delivery budget implementation plan is measured:

Category	Color	Explanation
KPI's Not Yet Measured		KPIs with no targets or actuals in the selected period.
KPI's Not Met		0% >= Actual/Target < 75%
KPI's Almost Met		75% >= Actual/Target < 100%
KPI's Met		Actual/Target = 100%
KPI's Well Met		100% > Actual/Target < 150%
KPI's Extremely Well Met		Actual/Target >= 150%

Figure 3: SDBIP Measurement Categories

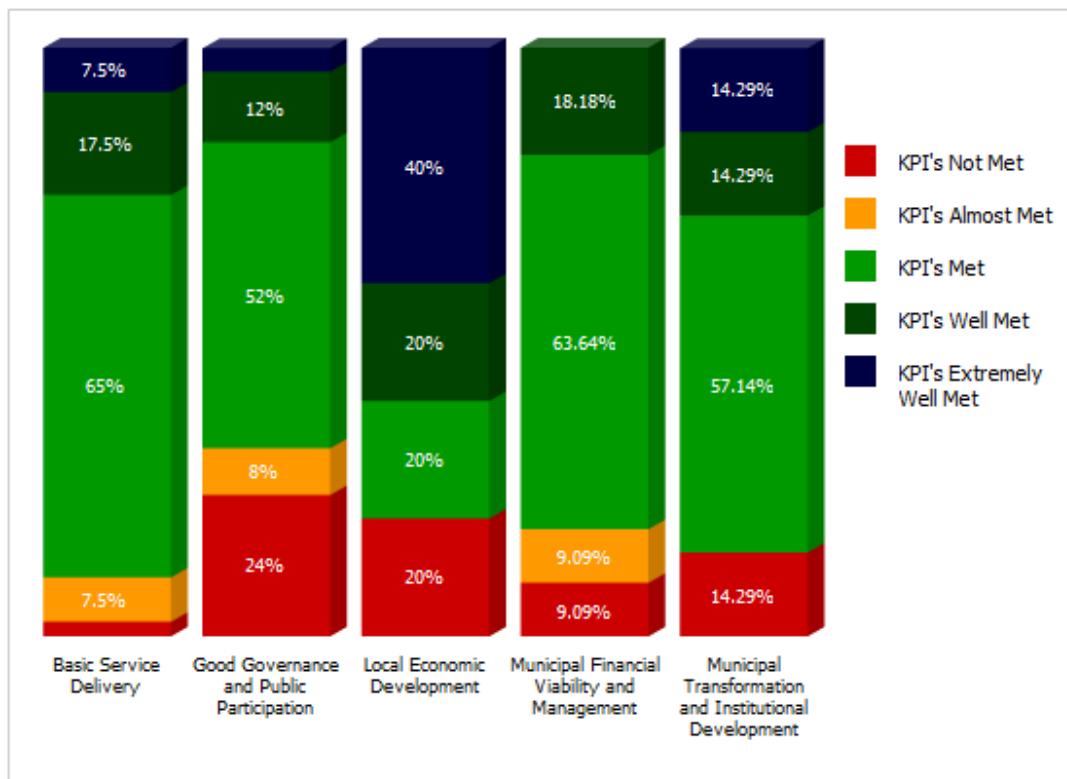
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The overall performance results achieved by the municipality in terms of the Top Layer SDBIP are indicated in the table and graph below:

Directorates	Total KPIs	KPIs Extremely Well Met	KPIs Well Met	KPIs Met	KPIs almost Met	KPIs not Met
Basic Service Delivery	40	3	7	26	3	1
Good Governance and Public Participation	25	1	3	13	2	6
Local Economic Development	5	2	1	1	0	1
Municipal Financial Viability and Management	11	0	2	7	1	1
Municipal Transformation and Institutional Development	7	1	1	4	0	1
Cape Agulhas Municipality	88	7	14	51	6	10

Table 61: Strategic Performance per National KPs

The graph below displays the performance per National Key Performance Areas:



Graph 5: Performance per National Key Performance Area

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Below is the top level SDBIP according to the 5 National Key Performance Areas linked to the Municipal Key Performance Areas and IDP (strategic) Objectives.

4.3.1 TOP LAYER SDBIP - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The National Key Performance Area Good Governance and Public Participation are linked to the Municipal Key Performance Areas namely **“Good Governance”**. The IDP Objective that is linked to Good Governance and Public Participation is: **“To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations.”**

KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
IDP to include all required sectoral plans	No of required sectoral plans included	All	5	5	5	n/a	n/a
Reviewed IDP	IDP reviewed by May Annually	All	31-May-10	100%	100%	IDP reviewed March	n/a
Approval of SDBIP	Approval of SDBIP before legislative deadline	All	Approved in 28 days after budget approval	100%	100%	n/a	n/a
Effective functioning of ward committees	No of ward committee meetings per ward per annum	All	10	10	0	The actual result was not updated on the SDBIP system, 10 ward committee meetings were held.	n/a
IDP endorsed by all wards	100% of ward committees endorsing IDP	All	100%	100%	0%	The actual result was not updated on the SDBIP system, 100% of ward committees endorsed the IDP.	n/a
IDP endorsed by community organisations and stakeholders as local social compacts	Implementation of public participation process	All	100%	100%	75%	Public Participation processes done according to approved Procedural Process Plan. The actual result was not updated on the SDBIP system, 90% of community organisations endorsed the IDP.	n/a
Strengthen role of communities	5 ward based development plans completed	All	5	5	0	Ward Based Plans will be conducted as part of the 3rd Generation IDP.	n/a
Approval of adjustments budget	Approval of adjustments budget before legislative deadline	All	31-Jan-10	1	1	n/a	n/a
Approval of Main budget	Approval of Main budget before legislative deadline	All	31-May-10	1	1	n/a	n/a
Effective communication with	Implementation of communication policy	All	Communication plan approved	100%	50%	Not adequate staff capacity	n/a

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KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
communities							
Annual performance reporting	Annual report and oversight report of council submitted before legislative deadline	All	Report approved in March	100%	100%	n/a	n/a
Effective functioning of committee system	No of sec 79 committee meetings per committee per annum	All	10	10	22	n/a	n/a
Effective functioning of council	No of council meetings	All	6	4	5	n/a	n/a
Functional performance audit committee	No of meetings of the performance audit committee	All	Quarterly meetings	4	1	Original agreement, only two per annum and two meetings were held.	Must still be discussed with committee, original arrangement only two per annum
Spatial development Framework and other sectoral plans to be aligned with IDP	100% alignment	All	0%	75%	75%	IDP approved; alignment done with sector plans on continuous basis	n/a
Institutional Performance management system in place	Individual performance management system implemented up to the lowest level	All	100%	100%	95%	Self-evaluation of staff members commenced. Formal evaluation to be completed in July, after the end of financial year	n/a
Institutional Performance management system in place	No of performance agreements signed on time	All	5	5	5	n/a	n/a
Creation of effective capacity	% Vacancy level as % of approved organogram	All	10%	10%	10%	n/a	n/a
Reaching of employment equity targets	% of targets reached	All	90%	90.00%	92.50%	All appointments to be made according to EE.	n/a
Citizen satisfaction survey conducted	% Citizen satisfaction	All	90%	90%	91%	Agreed to assist Department of Local Government: Public Participation section to undertake a citizen satisfaction survey within Cape Agulhas via the community development workers. Complaint system monitored; surveys to be undertaken in new financial year	n/a
Functional Internal Audit	Review of Risk based audit plan	All	100%	100%	1%	Audit interns appointed and currently undergoing	n/a

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KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
unit	by June 2011					training	
Improved good governance	% Implementation of anti-corruption policy	All	100%	100%	100%	Policy implemented as part of normal work procedures. Forensic investigations underway pertaining alleged transgressions. Still to be completed	n/a
Municipality complying with all relevant legislation	% compliance with legislation	All	90%	93%	93%	n/a	n/a
Coordination of Disaster Management Plan	Readiness of each department to implement plan	All	100%	100%	100%	Draft plan handed to MM. MM indicated that plan be presented to Risk Management Com	n/a
Review of the Spatial Development Plan	Review and submitted to PGWC annually by the end of June	All	Existing SDF	100%	100%	SDF currently with DEA & DP for approval - no review necessary. Review to take place in 2011/12	n/a

Table 62: Top Layer SDBIP – Good Governance and Public Participation

4.3.2 TOP LAYER SDBIP - MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

The National Key Performance Area Municipal Transformation and Institutional Development are linked to the Municipal Key Performance Area namely **“Institutional Transformation and Organisational Development.”** The IDP Objective that is linked to Municipal Transformation and Institutional Development is: **“To implement internal policies, strategies and work procedures in an integrated way.”**

KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
Skills development of Financial management personnel by 2013	Number of financial management personnel attending required course	All	0	5	8	3 staff members trained as part of Municipal Minimum Competency programme; all additional staff put in training programme to commence in new financial year	n/a
Skills development of Senior management	Number of senior management attending required course	All	2	8	11	Directors: Community and Civil Engineering attending CPND course. Director: Corporate attending M.Phil in Local Government Law and Decentralisation. 4 snr officials completed Executive Leadership course. Municipal Manager and CFO attends MCC-course together with 4 additional snr staff members MM and CFO on CPMD course	n/a

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KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
Effective and up to date By-laws	No of By-laws revised annually	All	10	10	5	Province will do 10 by-laws for CAM	Province will do 10 by-laws for CAM
Effective labour relations	No of meetings of the LLF	All	10	10	10	n/a	n/a
Effective and up to date HR policies	No of HR policies reviewed annually by June	All	5	5	5	n/a	n/a

Table 63: Top Layer SDBIP – Municipal Transformation and Institutional Development

4.3.3 TOP LAYER SDBIP - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The National Key Performance Area Municipal Financial Viability and Management are linked to the Municipal Key Performance Area namely **“Financial Viability”**. The IDP Objective that is linked to Municipal Financial Viability is: **“To manage municipal resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively.”**

KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
Effective SCM system	No of successful appeals	All	0	0	0	0 successful appeals	n/a
Asset management	Maintained asset register	All	100%	100%	100%	n/a	n/a
Clean audit	% of Root causes of issues raised by AG in AG report addressed	All	100%	100%	100%	n/a	n/a
Preparation of financial statements	Financial statements submitted on time	All	100%	100%	100%	Statements were submitted one day late	n/a
Improved revenue collection	% Debt recovery rate	All	90%	94.00%	91.89%	Due to tax levies overall rate lower, but September rate alone was 122.4%	n/a
Improvement in conditional grant spending - capital	% of total conditional capital grants spent	All	55%	100%	100%	n/a	n/a
Improvement in conditional grant spending - operational	% of total conditional operational grants spent	All	55%	98%	98%	n/a	n/a

Table 64: Top Layer SDBIP – Municipal Financial Viability and Management

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4.3.4 TOP LAYER SDBIP - LOCAL ECONOMIC DEVELOPMENT

The National Key Performance Area Local Economic Development is linked to the Municipal Key Performance Area namely **“Local Economic Development”**. The IDP Objective that is linked to Local Economic Development is: **“To promote economic development that is aimed at development that will satisfy the needs of the current generation without putting at risk the needs of the future generation to satisfy their own needs.”**

KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
Enhancement of economic development	Value of contracts assigned to emerging contractors	All	0	R 15,000,000	R 19,000,000	Allocated R1 million for Work for Coast programme; IDC satellite office establishment; telematic training centre establishment in Bredasdorp	n/a
Reviewed and aligned LED strategy	LED strategy reviewed by December Annually	All	Existing strategy to be reviewed annually	100%	100%	LED Strategy is relatively new and will be reviewed in the next financial year. The strategy is continuously updated.	n/a
To attract private sector investment on municipal land	Number of private sector investment projects implemented	All	0	2	10	Establishment of Telematic training centre in Bredasdorp; discussions with Agri Mega on commonage land reform; still in negotiations with Mohlaleng on GAP housing and Ark Industries project; Work for Coast investment	n/a
Employment through job creation schemes	No of permanent jobs created through local economic development projects / initiatives	All	5	15	0	The actual result was not updated on the SDBIP system, 11 jobs were created. The businesses assisted through LED in Health Gro, Southern Whales Accomodation and Sizabantu provided opportunities for permanent employment.	n/a
Employment through job creation schemes	No of temporary jobs created (working man days)	All	55	100	351	Job creation projects implemented	n/a

Table 65: Top Layer SDBIP – Local Economic Development

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4.3.5 TOP LAYER SDBIP - BASIC SERVICE DELIVERY

The National Key Performance Area Basic Service Delivery is linked to the Municipal Key Performance Area namely **“Provision of and Infrastructure for Basic Service Delivery”**. The IDP Objectives that is linked to Basic Service Delivery is: **“Continuous improvement and maintenance of the municipal infrastructure”**, **“Effective law enforcement to ensure a safe environment for our community and visitors”** and **“uplift the entire CAM area to equal service delivery levels.”**

KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
Develop and implement a comprehensive law enforcement strategy	% Decrease in traffic violations	All	10%	30%	15%	We do the best as we can with the little resources that we have to comply	n/a
Reviewed Disaster Management Framework/ Plan	Disaster Management Plan reviewed by April Annually	All	1	1	1	Plan has been revised on many occasions to make sure it is up to date	n/a
Maintenance of grave yards	% of maintenance budget of grave yards spent	All	95%	95%	100%	n/a	n/a
Maintenance of grave yards	Development and implementation of maintenance plan for grave yards	All	0	100%	100%	Plan finalized, approved and submitted to MM	n/a
Maintenance of halls and facilities	% of maintenance budget of halls and facilities spent	All	95%	95%	100%	n/a	n/a
Maintenance of halls and facilities	Development and implementation of maintenance plan for halls and facilities	All	0	100%	100%	Plan finalized, approved and submitted to MM	n/a
Maintenance of recreational areas	% of maintenance budget of recreational areas spent	All	95%	95%	100%	n/a	n/a
Maintenance of recreational areas	Development of a maintenance plan for recreational areas	All	0	100%	100%	Plan finalized, approved & Submitted to MM	n/a
Initiate the implementation of one project	Plan initiated	All	0	100%	100%	n/a	n/a

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KPI Name	Unit of Measurement	Ward	Baseline	Performance 2010/11		Performance comment	Corrective actions
				Target	Actual		
Effective functioning of sport forums	No of meetings per type of forum per annum	All	4	4	12	n/a	n/a
Effective capital spending	% spent of approved storm water capital projects	All		100%	100%	n/a	n/a
Maintenance of storm water assets	% of approved maintenance plan executed	All		95.00%	96.25%	n/a	n/a
Maintenance of storm water assets	% of maintenance budget of storm water spent	All		95%	100%	n/a	n/a
New water connections	% of new applications and developments connected	All		100%	100%	n/a	n/a
Percentage water losses	KL billed/ KL used by municipality	All		10%	10%	n/a	n/a
Effective capital spending	% spent of approved electricity capital projects	All	95%	100%	100%	n/a	n/a
Improvement of electricity distribution capacity	% improvement	All	3%	5.00%	4.75%	Network are upgraded as money are available	n/a
Maintenance of electricity assets	% of approved maintenance plan executed	All	80%	80%	80%	n/a	n/a
Maintenance of electricity assets	% of maintenance budget of electricity spent	All	95%	100%	100%	n/a	n/a
New electricity connections	% of new applications and new developments connected	All	100%	100.00 %	99.17%	All connections are done when contractor are finished and application done in book	n/a
Percentage electricity losses	KW billed/ KW used by municipality	All	10%	10%	11%	All networks have a 5% standard loss on due to copper losses in transformers	Meters are tested for correctness. All maximum demand meters are tested by a specialist from 21 September
Percentage of streets with no street lights	% of streets with no lights	All	5%	5%	5%	There are streets with not enough light but no streets without lights	n/a

Table 66: Top Layer SDBIP – Basic Service Delivery

4.4 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2011/12

4.4.1 LOCAL ECONOMIC DEVELOPMENT PRIORITIES FOR 2011/12

The table below list the priorities linked to the objective: *“To facilitate economic development by creating a conducive environment for business and unlock opportunities to increase participation amongst all sectors of society in the mainstream economy.”*

KPI	Unit of Measurement	Wards	Annual Target
The number of jobs created through municipality's local economic development initiatives including capital projects	Number of jobs opportunities created through EPWP	All	300
Consider possible recycling initiatives that can be implemented in the future with all role players in the municipal area	Strategic session and report with initiatives for consideration completed by December 2011	All	100
Empowerment of emerging farmers on commonage land of the council	No of farmers benefitting	All	20
Establishment of a functional LED agency in cooperation with the Industrial Development Corporation	LED agency established by December 2011	All	100
Facilitate the optimal functioning of the Healthgro Women Empowerment project in Napier	No of women benefitting	1	11
Host a tender workshop with the Department of Public Works and Transport to assist emerging entrepreneurs with tender processes and procedures	Workshop hosted by December 2011	All	1
Revise the Local Economic Development strategy	LED strategy reviewed by March 2012	All	100
Value of contracts assigned to SMME's to enhance economic development	Value of contracts assigned	All	5 000 000

Table 67: 2011/12 Priorities: Local Economic Development

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4.4.2 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT PRIORITIES FOR 2011/12

The table below list the priorities linked to the objective: ***"To implement internal policies, strategies and work procedures in an integrated manner."***

KPI	Unit of Measurement	Wards	Annual Target
Targeted skills development measured by the implementation of the workplace skills plan	% of the budget spent on implementation of the WSP	All	1
Implementation of the Employment Equity Act	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	All	0
Effective labour relations by facilitating regular LLF meetings per annum	No of meetings of the LLF per annum	All	6
Revise identified HR policies by the end of June to ensure compliant and up to date HR policies	No of policies revised	All	3
Creation of an effective institution with sustainable capacity	% Vacancy level as % of approved organogram	All	10
Implementation of skills development plan with targeted skills development	No of personnel actually trained/ No of personnel identified for training (%)	All	90

Table 68: 2011/12 Priorities: Municipal Transformation and Institutional Development

4.4.3 BASIC SERVICE DELIVERY PRIORITIES FOR 2011/12

The table below list the priorities linked to the objective: ***"To improve the standard of basic service delivery in the entire Cape Agulhas Municipality."***

KPI	Unit of Measurement	Wards	Annual Target
Maintenance of halls and facilities	% of capital budget of halls and facilities spent	All	100
Maintenance of halls and facilities	% of maintenance budget of halls and facilities spent	All	100
Graveyards is maintained measured by the % of the maintenance budget spent	% of budget spent	All	100
Recreational areas is maintained measured by the % of the maintenance budget spent	% of budget spent	All	100
Implementation of Integrated Human Settlement Strategy	No of houses built in Area D Bredasdorp	All	126
Implementation of Integrated Human Settlement Strategy	No of urban plots provided with services in Area A Bredasdorp	All	184
Disaster Management Plan reviewed by the end of June	Plan reviewed by the end of June	All	100

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KPI	Unit of Measurement	Wards	Annual Target
Municipal parks and recreational areas is provided to all HH measured by the no of HH with access to recreational areas	No of wards with access to recreational areas	All	5
Provision of sport facilities	No of wards with access to sport facilities	All	5
Provisioning of street lightning	% of HH with street lights	All	100
Effective management of electricity provisioning systems	% of electricity unaccounted for	All	10
Electricity assets is maintained in terms of the maintenance budget spent	% of maintenance budget of electricity spent	All	100
Electricity connections to provide electricity reticulation to low cost houses and urban plots in informal areas	No of connections	All	310
Improvement of electricity distribution capacity with the completion of the approved projects in the capital budget	No of projects completed	All	5
Revision of maintenance plan for electricity assets	Plan revised by June 2012	All	100
Upgrading of the whole electricity network of the municipality with existing resources to better regulate electricity distribution during Eskom load shedding	% completion of identified projects	All	100
Provision of free basic electricity in terms of the equitable share requirements	No of HH receiving free basic electricity per month	All	6 456
Provision of free basic electricity in terms of the equitable share requirements	Quantum (kWh) of free basic electricity per HH per month	All	50
Provision of electricity that are connected to the national grid to all formal areas	No HH in formal areas that meet agreed service standards	All	7 830
Provision of electricity that are connected to the national grid to all informal areas	Percentage of informal areas that meet agreed service standards	All	85
Provision of free basic refuse removal in terms of the equitable share requirements	No of HH receiving free basic refuse removal per month	All	3 233
Provision of free basic refuse removal in terms of the equitable share requirements	Quantum (Rand) of free basic refuse removal per month per HH	All	73.44
Provision of refuse removal, refuse dumps and solid waste disposal to all formal areas	No of formal HH for which refuse is removed at least once a week	All	8 516
Provision of refuse removal, refuse dumps and solid waste disposal to all informal areas	Percentage of informal HH for which refuse is removed at least once a week	All	95
Provision of free basic sanitation in terms of the equitable share requirements	No of HH receiving free basic sanitation per month	All	3 233
Provision of free basic sanitation in terms of the equitable share requirements	Quantum (Rand) of free basic sanitation provided per HH per month	All	63.51
Provision of sanitation systems limited to domestic waste water and sewerage disposal to formal HH	No of formal HH that have at least VIP on site	All	7 857
Provision of sanitation systems limited to domestic waste water and sewerage disposal to informal HH	Percentage of informal HH that have at least VIP on site	All	95

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KPI	Unit of Measurement	Wards	Annual Target
Provision of free basic water in terms of the equitable share requirements	No of HH receiving free basic water per month	All	7 718
Quantum of free basic water per household in terms of the equitable share requirements	Quantum (kl) of free basic water provided per household per month	All	6
Provision of cleaned piped water to all formal HH within 200m from the household	No of formal HH that meet agreed service standards for piped water	All	7 768
Provision of cleaned piped water to all informal HH within 200m from the household	Percentage of informal HH that meet agreed service standards for piped water	All	95
Maintenance of municipal roads	No of Km's of tarred and gravel roads maintained	All	201
Municipal roads is maintained measured by the kms of roads patched and resealed according to approved maintenance plan	No of km of roads patched and resealed	All	7
Provide municipal roads with the completion of the approved capital projects	No of projects completed	All	7
Maintenance of refuse removal assets	% of maintenance budget of refuse removal spent	All	100
Improvement of refuse sites' capacity by the end of June	No of additional skips provided	All	3
Development of a maintenance schedule for sanitation systems	Schedule revised by June 2012	All	100
Maintenance of sanitation assets	% of maintenance budget of sanitation assets spent	All	100
Provide stormwater infrastructure with the completion of projects approved in the capital budget according to the stormwater master plan in ward 5	% completion of approved projects	All	100
Provision of stormwater management systems in built up areas to all formal HH	% of HH with	All	100
Provision of stormwater management systems in built up areas to all informal HH	% of HH with	All	95
Sanitation assets is maintained in terms of the maintenance budget spent	% of maintenance budget of sanitation spent	All	100
Stormwater assets is maintained in terms of the maintenance budget spent	% of maintenance budget of stormwater spent	All	100
Quality of waste water discharge measured in terms of Green Drop criteria	% water quality level of waste water discharge	All	97
Effective management of water provisioning systems to limit unaccounted water	% of water unaccounted for	All	10
Improvement of water purification system capacity with the completion of the approved capital projects	No of projects completed	All	5
New water connections to provide for potable water supply systems	No of new water connections per annum	All	310
Water assets is maintained in terms of the maintenance budget spent	% of maintenance budget of water spent	All	100

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KPI	Unit of Measurement	Wards	Annual Target
Excellent water quality measured by the quality of water as per blue drop and SANS 242 criteria	% water quality level	All	98
Implementation of the Water Demand Management plan	No of water saving awareness initiatives	All	2

Table 69: 2011/12 Priorities: Basic Service Delivery

4.4.4 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT PRIORITIES FOR 2011/12

The table below list the priorities linked to the objective: ***"To manage resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively."***

KPI	Unit of Measurement	Wards	Annual Target
Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	All	2
Financial viability measured in terms of the municipality's ability to meet its service debt obligations	Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	All	8
Financial viability measured in terms of the outstanding service debtors	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	All	6
Updated indigent register for the provision of free basic services	Updated indigent register by July 2011	All	100
Approved financial statements submitted by 31 August	Approved financial statements submitted	All	100
Compliance with GRAP 16, 17 & 102 to ensure effective asset management	0 findings in the audit report on non-compliance	All	0
Compliance with the SCM Act measured by the limitation of successful appeals against the municipality	0 successful appeals	All	0
Improved revenue collection	% Debt recovery rate	All	94
Improvement in capital conditional grant spending measured by the % spent	% of the grant spent	All	100
Improvement in operational conditional grant spending measured by the % spent	% of the grant spent	All	100
No of Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit	% of Root causes addressed	All	80

Table 70: 2011/12 Priorities: Municipal Financial Viability and Management

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4.4.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION FOR 2011/12

The table below list the priorities linked to the objective: "***To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations.***"

KPI	Unit of Measurement	Wards	Annual Target
Integrated development planning measured by the alignment of the municipal spending with IDP	The percentage of a municipality's capital budget spent on capital projects identified in the IDP	All	100
Strengthen the role of communities by facilitating ward based development plans	No of ward based development plans completed	All	2
The municipality listens and talks back to its people by ensuring that the IDP is endorsed by all wards	No of ward committees endorsing the IDP	All	5
IDP and sectoral plans aligned with Spatial development plan	% alignment	All	100
Spatial development plan aligned with PSDF and PGDS	% alignment	All	100
The IDP is comprehensive and complies with the requirements of the Systems Act	No of required sectoral plans included in the IDP	All	6
Spatial Development Plan reviewed and submitted to PGWC annually by June 2012	Review and submitted to PGWC by June 2012	All	100
Institutional Performance management system in place and implemented up to level (No)	Implemented up to level 6	All	6
Determine citizen satisfaction	No of wards with agreed service charters	All	5
Effective and up to date By-laws	No of By-laws revised annually	All	1
Effective communication with communities	Reviewed communication policy by March 2012	All	100
The adjustment budget is approved by Council by the legislative deadline	Approval of Adjustments Budget before the end of February 2012	All	100
The main budget is approved by Council by the legislative deadline	Approval of Main Budget before the end of May 2012	All	100
The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved within 28 days after the Main Budget has been approved	All	100
Effective functioning of council measured in terms of the number of council meetings per annum	No of council meetings per annum	All	4
Effective functioning of the committee system measured by the number of committee meetings per committee per quarter	No of sec 79 committee meetings per committee per quarter	All	4
Effective functioning of ward committees to ensure consistent and regular communication with residents	No of ward committee meetings per ward per annum	All	4
IDP reviewed and approved annually by the end of May	IDP approved by the end of May	All	100

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KPI	Unit of Measurement	Wards	Annual Target
Annual report and oversight report of council submitted before the end of March 2012	Report submitted to Council	All	100
No of Section 57 performance agreements signed by the end of July	No of performance agreements signed	All	5
The municipality comply with all the relevant legislation	0 findings in the audit report on non-compliance with laws and regulations	All	0
Functional performance audit committee measured by the number of meetings per annum	No of meetings held	All	4
Initiatives in the anti-corruption policy is successfully implemented	Reviewed strategy by June 2012	All	100
Risk based audit plan approved by March 2012	Plan approved	All	100

Table 71: 2011/12 Priorities: Good Governance and Public Participation

4.5 BASIC SERVICE DELIVERY

4.5.1 BASIC SERVICES DELIVERY PERFORMANCE HIGHLIGHTS

Highlight	Description
Efficiency and effectiveness of the electricity department	All maintenance, repairs, fault finding and capital projects are done fully by the electrical department and not by contractors
	Very little power failures
	Big upgrades done during the year
Housing	Have completed servicing 343 low cost houses erven during the year
	In the process of implementing the GAP housing project to make provision for the R3 500 to R10 000 income category
	Completed 38 bathrooms where bathrooms were previously situated away from the dwellings
	Implemented a proactive approach to informal settlement development. Informal management monitors were appointed to monitor informal settlements which will lead to less people settling illegally in the areas
Public Services	A new crèche has been built in Napier in partnership with a low cost housing developing company
Job creation	Facilitated the promotion of job creation via the department of Environmental Affairs to employ 77 temporary jobs for 24 months as part of the Work for the Coast programme (Extended Public Works Program project)
Capital projects	Completed all capital projects with an average spending of 93% of the budget
Refuse removal	Launching of the recycling awareness campaign with a resultant increase in the volume of recycling

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Highlight	Description
	Participation in the Cleanest and Greenest town competition
	Participation in the Blue and Green Drop assessments
	Launching of a litter awareness campaign
	Establishment of the electronic registration on the IPWIS system
	Visit to Bavaria, Germany on Technological Transfer Seminar in Waste Management
	Cleaning up of the area through the Extended Public Works Program
Roads and Stormwater	Completion of Longstreet (Bredasdorp) rehabilitation, phase 1
	Extended Public Works Program compliant projects and eligibility certification
	95% expenditure of the capital budget
	95% expenditure on the maintenance budget
	Paving of Hertzog Street, Napier, with full Extended Public Works Program compliancy
	All projects budgeted for was completed
	100% spending of the Municipal Infrastructure Grants
Water	Reduction in the water losses with losses now below 15%
	Successful management of scarce water resources during drought conditions
	Development of new ground water resources
	100% completion of all capital projects
	Establishment of an ultra-filtration plant at Spanjaardskloof
Sanitation	100% completion of all capital projects budgeted for
	Securing of RBIG funds for upgrading of the Waste Water Treatment Works at Struisbaai
	Section 76 process for upgrading Waste Water Treatment Works to a Bio Gas Plant in Bredasdorp
	Re-use of the Waste Water treatment Works effluent water for the watering of sport fields

Table 72: Basic Services Delivery Highlights

4.5.2 BASIC SERVICES DELIVERY CHALLENGES

Service Area	Challenge	Actions to address challenges
Electricity supply	Replacement of the overhead bundle conductor with cable	Lines needs to replaced yearly on a rotational basis
	Upgrading of small transformers	Transformers needs to replaced yearly on a rotational basis

Service Area	Challenge	Actions to address challenges
	Upgrading of overhead lines	Older lines needs to be replaced by new lines
Housing	Funding for housing	Pro-active planning in line with Human Settlement Plan as well as lobbying for additional funding from Provincial Department of Housing
Community Services	Environmental issues	Full implementation and monitoring of the Coastal Management Act
Community Services	Coastal erosion	The Struisbaai and Arniston coast are heavily eroded due to rising sea levels. Multi-sectoral discussion to take place with all relevant stakeholders to find solutions
Refuse removal	Illegal dumping in residential areas	Provide tractor for collection once a month with job creation
	Insufficient awareness on the recycling project	Implement strong public awareness campaign
	Landfill airspace – 5 year capacity	Regional landfill site development
	Capacity constraints	Organisational structure amendments
Roads and Stormwater	Rehabilitation of streets and public transport	Public transport needs to be upgraded through sufficient funding
	Insufficient funding and capacity for upgrading of sidewalks, roads and stormwater	Funding needs to be sourced through the budget or lobbying for additional funds from the treasury/ National Department
	Insufficient capacity for maintenance work in the department	Organisational structure amendments
Water and Sanitation	Insufficient ground water resources	Further develop of new water sources & desalination plant
	Limited water storage capacity	Funding needs to be sourced for the building of additional reservoirs
	Blue and Green Drop status	Concerted effort to obtain the applicable certificates
	Limited capacity of the sewerage network	Funding needs to be sourced to urgently upgrade the entire sewerage network

Table 73: Basic Services Delivery Challenges

4.5.3 ACCESS TO FREE BASIC SERVICES

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than **R1 500** per month will receive the free basic services as prescribed by national policy.

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The table below indicates the total number of indigent households and other households that received free basic services in the past three financial years:

Financial year	Number of households								
	Total number of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2008/09	7 730	1 886	24.4	7 730	100.0	1 646	21.3	1 646	21.3
2009/10	8 028	2 265	28.2	8 028	100.0	1 977	24.6	1 977	24.6
2010/11	7 441	2 515	33.8	8 074	108.5	2 119	28.5	2 119	28.5

Table 74: Free basic services to indigent and other households

The access to free basic services is summarised into the different services as specified in the following table:

Financial year	Electricity								
	Indigent Households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000
2008/09	1 646	50	381	5 897	50	1 365	651	50	240
2009/10	1 977	50	595	6 051	50	1 821	655	50	288
2010/11	2 119	50	778	5 965	50	2 191	827	50	396

Table 75: Free basic Electricity services to indigent households

Financial year	Water					
	Indigent Households			Non-indigent households		
	No. of HH	Unit per HH	Value R'000	No. of HH	Unit per HH	Value R'000
2008/09	1 646	6 kl & basic charge	379	6 084	6 kl	1 397
2009/10	1 977	6kl & basic charges	485	6 051	6 kl	1 486
2010/11	2 176	6kl & basic charges	583	5 898	6 kl	1 580

Table 76: Free basic Water services to indigent households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2008/09	1 646	R 49,50 pm	978	n/a	n/a	n/a
2009/10	1 977	R 52.97 pm	1 257	n/a	n/a	n/a
2010/11	2 119	R57.74 for indigent R28.87 for poor	1 448	n/a	n/a	n/a

Table 77: Free basic Sanitation services to indigent households

Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Service per HH per week	Value	No. of HH	Unit per HH per month	Value
			R'000			R'000
2008/09	1 646	1	1 131	n/a	n/a	n/a
2009/10	1 977	1	1 453	n/a	n/a	n/a
2010/11	2 119	1	1 698	n/a	n/a	n/a

Table 78: Free basic Refuse Removal services to indigent households per type of service

4.5.4 ACCESS TO BASIC LEVEL OF SERVICES

The following table indicates the number of households that **gained access for the first time** to the different types of basic services during the 2010/11 financial year:

Type of service	2008/09	2009/10	2010/11
Housing	53	0 (all have access) Additional 140 with upgraded services	0
Water	148	110	0 m- All have access A further 323 sites were serviced but housing not yet built
Sanitation	51	76: informal settlements Additional 250 with upgraded services	0 – All have access A further 323 sites were serviced but housing not yet built
Refuse removal	109	0 (all have access) Additional 140 with upgraded services	0 – All have access A further 323 sites were serviced but housing not yet built

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Type of service	2008/09	2009/10	2010/11
Electricity	110	140	203
Streets & Storm Water	53	0 (all have access) Additional 140 with upgraded services	149

Table 79: Access to basic level of services

A) CAPITAL BUDGET SPENT ON MUNICIPAL SERVICES

The percentage (%) of the total approved capital budget spent on each municipal service respectively for the 2008/09, 2009/10 and 2010/11 financial years respectively are as follows:

Financial Year	Housing	Water	Sanitation	Refuse Removal	Electricity	Streets & Storm Water	Community facilities
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
2008/09	17.7	2.4	33.5	1.8	12.1	21.5	6.5
2009/10	Grant funding	11.3	5.2	0.74	16.5	46.4	8.1
2010/11	Grant funding	12.2	9.8	0.1	11.1	41.7	2.2

Table 80: Capex

The following table indicates the total amount of capital expenditure on assets by asset class for the past three financial years:

Description	2007/08	2008/09	2009/10	2010/11		
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual Expenditure
Capital expenditure on new assets by Asset Class/Sub-class (R'000)						
Infrastructure	10 020	12 678	16 011	25 774	24 319	21 823
Infrastructure - Road transport	2 293	305	10 225	14 004	13 602	11 504
Infrastructure - Electricity	574	2 238	2 869	3 520	3 527	3 345
Infrastructure - Water	601	713	2 515	4 610	3 700	3 710
Infrastructure - Sanitation	6 424	9 133	402	3 320	3 170	3 031
Infrastructure - Other	128	289	0	320	320	233
Community	747	344	2 268	1 715	1 329	1 291
Parks & gardens	0	0	17	0	0	0
Sports fields & stadia	2	154	39	290	420	702
Community halls	745	0	1 024	535	35	25
Libraries	0	0	650	0	0	0
Recreational facilities	0	190	538	890	874	564

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Description	2007/08	2008/09	2009/10	2010/11		
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual Expenditure
Other	0	0	0	0	0	0
<u>Heritage assets</u>	0	0	0	0	0	0
<u>Investment properties</u>	0	0	900	0	0	0
<u>Other assets</u>	2 003	2 573	3 773	4 523	6 364	3 822
General vehicles	508	283	1 752	1 610	1 906	2 110
Plant & equipment	220	379	598	347	77	77
Computers - hardware/equipment	404	352	218	217	167	315
Furniture and other office equipment	766	619	382	1 189	708	836
Civic Land and Buildings	0	106	468	1 120	3 397	416
Other Building	0	627	0	0	0	0
Other Land	12	0	0	0	0	0
Surplus Assets - (Investment or Inventory)	0	0	0	0	0	0
Other	93	207	355	40	109	68
<u>Agricultural assets</u>	0	0	0	0	0	0
<u>Biological assets</u>	0	0	0	0	0	0
<u>Intangibles</u>	0	0	0	0	0	0
Total Capital Expenditure on new assets	13	15 595	22 952	32 012	32 012	26 936

Table 81: Total capital expenditure on assets

B) PERCENTAGE SPENDING ON TOTAL CAPITAL BUDGET

The total percentage (%) of the capital budget for the past three years is indicated in the table below:

Financial year	% of Capital budget spent
2008/09	92.1
2009/10	101
2010/11	85.75

Table 82: Total capital expenditure

C) SUMMARY OF BACKLOGS THAT MUST STILL BE ADDRESSED

Area	Total nr of households affected	Timeframe to be addressed	Cost to address
			R'000
Housing	4 292	± 25 years	429 000
Water (on site)	0	n/a	n/a
Sanitation	0	n/a	n/a

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Area	Total nr of households affected	Timeframe to be addressed	Cost to address
			R'000
Refuse removal (at least once a week at site)	0	n/a	n/a
Electricity (in house)	0	n/a	n/a
Streets and storm water	848	10 years	25

Table 83: Backlogs

4.5.5 WATER AND SANITATION

Water is probably the most fundamental and indispensable of natural resources – fundamental to life, the environment, food production, hygiene and power generation. Poverty reduction and improved water management are inextricably linked. Section 4B of the Constitution lists water and sanitation services limited to potable water supply systems and domestic wastewater and sewerage disposal systems as a local government function. Basic water is defined as 25 liters of potable water per day supplied within 200 meters of a household.

A) WATER SERVICE DELIVERY LEVELS

Water losses increased from **11.6%** in the 2009/10 financial year to **14.6%** in the 2010/11 financial year. This increase was mainly due to a combination of pipe bursts, faulty water meters, high network pressure and old infrastructure.

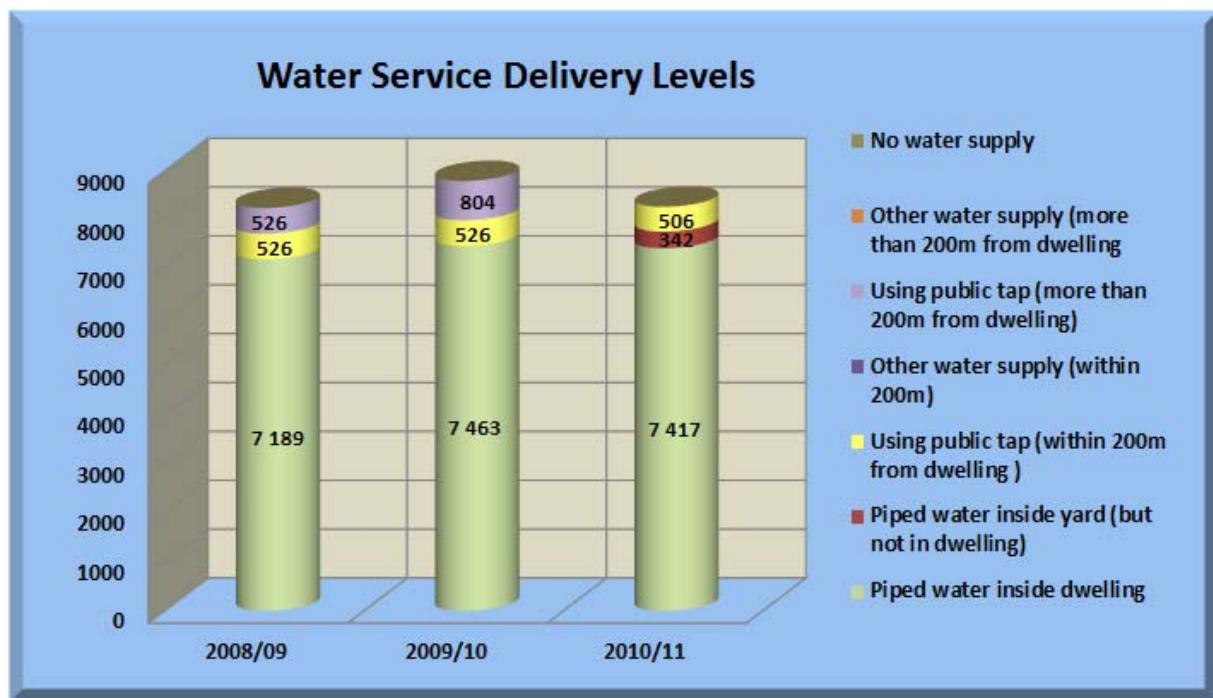
Below are a table that specifies the different water service delivery levels per households for the financial years 2008/09, 2009/10 and 2010/11:

Description	2009/10	2009/10	2010/11
	Actual	Actual	Actual
<u>Household</u>			
<u>Water: (above minimum level)</u>			
Piped water inside dwelling	7 189	7 463	7 417
Piped water inside yard (but not in dwelling)	0	0	342
Using public tap (within 200m from dwelling)	526	526	506
Other water supply (within 200m)	0	0	0
Minimum Service Level and Above sub-total	7 715	7 989	8 265
Minimum Service Level and Above Percentage	93.62	90.86	10
<u>Water: (below minimum level)</u>			
Using public tap (more than 200m from dwelling)	526	804	0
Other water supply (more than 200m from dwelling)	0	0	0

Description	2009/10	2009/10	2010/11
	Actual	Actual	Actual
No water supply	0	0	0
<i>Below Minimum Service Level sub-total</i>	526	804	0
<i>Below Minimum Service Level Percentage</i>	6.38	9.14	0
Total number of households (formal and informal)	8 241	8 793	8 265

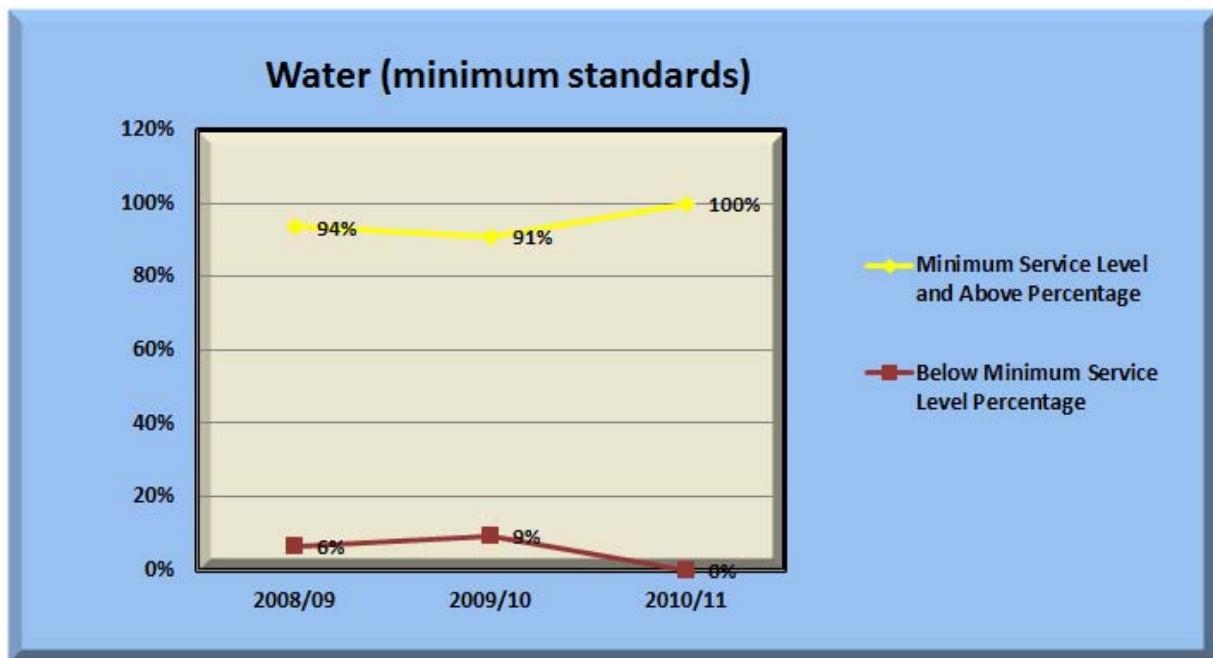
Table 84: Water service delivery levels

The graph below shows the different water service delivery levels per total households and the progress per year



Graph 6: Water service delivery levels

The graph below shows the total number of households which that are below and above minimum water standards.



Graph 7: Water minimum standards

B) SANITATION SERVICE DELIVERY LEVELS

Below are a table that specifies the different sanitation service delivery levels per households for the financial years 2008/09, 2009/10 and 2010/11:

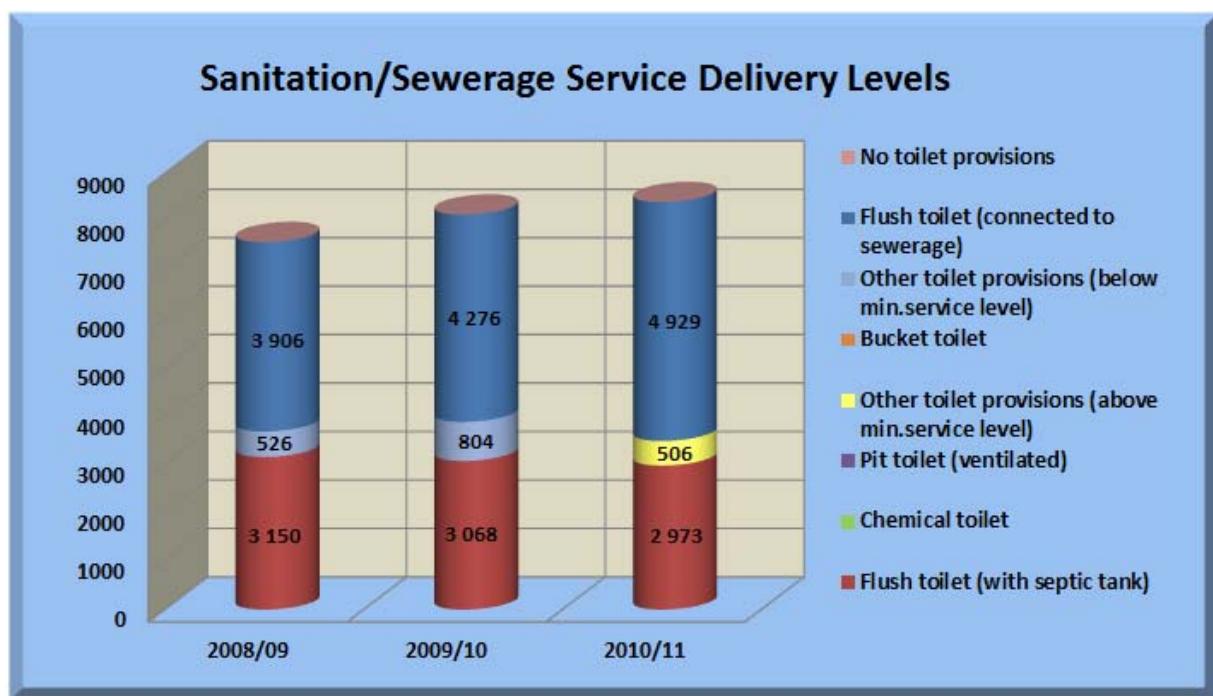
Description	2009/10	2009/10	2010/11
	Actual	Actual	Actual
<u>Household</u>			
<u>Sanitation/sewerage: (above minimum level)</u>			
Flush toilet (connected to sewerage)	3 906	4 276	4 929
Flush toilet (with septic tank)	3 150	3 068	2 973
Chemical toilet	0	1	0
Pit toilet (ventilated)	0	0	0
Other toilet provisions (above minimum service level)	0	0	506
Minimum Service Level and Above sub-total	7 056	7 345	8 408
Minimum Service Level and Above Percentage	93.06	90.13	100
<u>Sanitation/sewerage: (below minimum level)</u>			
Bucket toilet	0	0	0

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Description	2009/10	2009/10	2010/11
	Actual	Actual	Actual
Other toilet provisions (below minimum service level)	526	804	0
No toilet provisions	0	0	0
<i>Below Minimum Service Level sub-total</i>	526	804	0
<i>Below Minimum Service Level Percentage</i>	6.94	9.87	0
Total number of households	7 582	8 149	5 345

Table 85: Sanitation service delivery levels

The graph below shows the different sanitation/sewerage service delivery levels per total households and the progress per year.



Graph 8: Sanitation/Sewerage Service Delivery Levels

The graph below shows the total number of households which that are below and above minimum sanitation standards.



Graph 9: Sanitation/Sewerage minimum standards

4.5.6 ELECTRICITY

Local Government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support. The table below indicates the different service delivery level standards for electricity in all formal areas within the municipality:

The Energy Losses for the 2009/10 financial year was **12.73 %** whilst the losses in the 2010/2011 financial year were only **12.86%**. This outcome gives an end result of a very small increase in energy losses for the year.

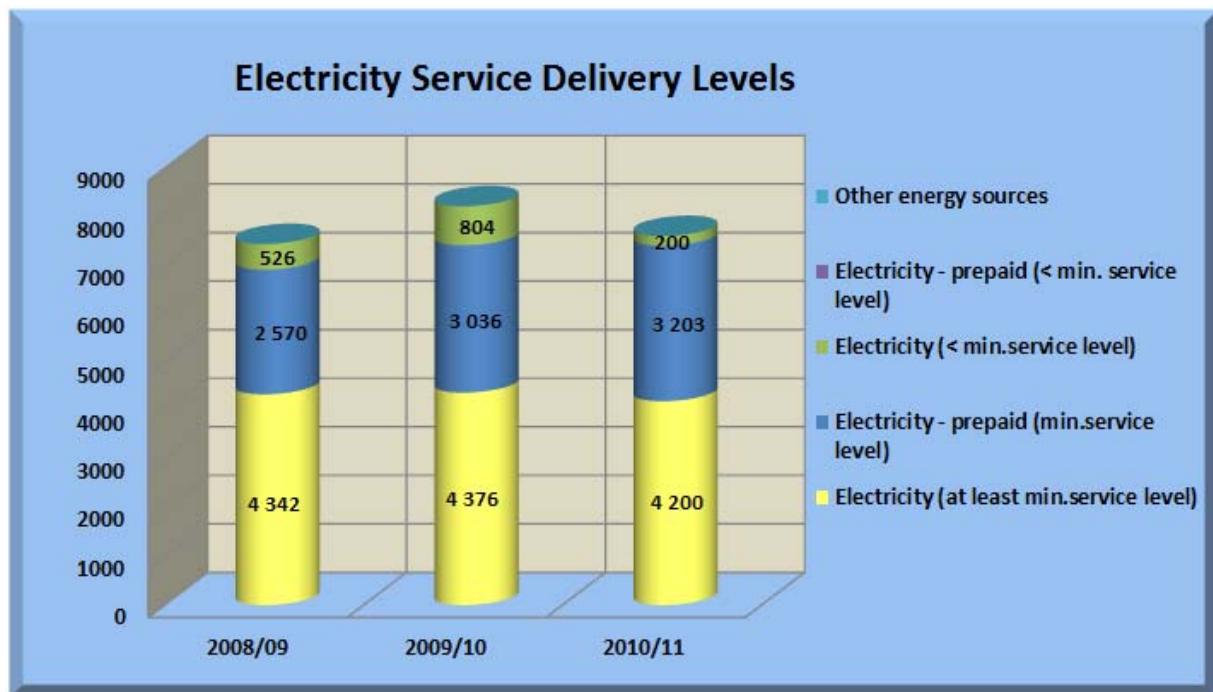
The table below indicates the different service delivery level standards for electricity within the municipality:

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
<u>Household</u>			
<u>Energy: (above minimum level)</u>			
Electricity (at least minimum service level)	4 342	4 376	4 200
Electricity - prepaid (minimum service level)	2 570	3 036	3 203
<i>Minimum Service Level and Above sub-total</i>	6 912	7 412	7 403
<i>Minimum Service Level and Above Percentage</i>	93	90	97
<u>Energy: (below minimum level)</u>			

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
Electricity (< minimum service level)	526	804	200
Electricity - prepaid (< min. service level)	0	0	0
Other energy sources	0	0	0
Below Minimum Service Level sub-total	526	804	0
Below Minimum Service Level Percentage	7	10	3
Total number of households	7 438	8 216	7 603

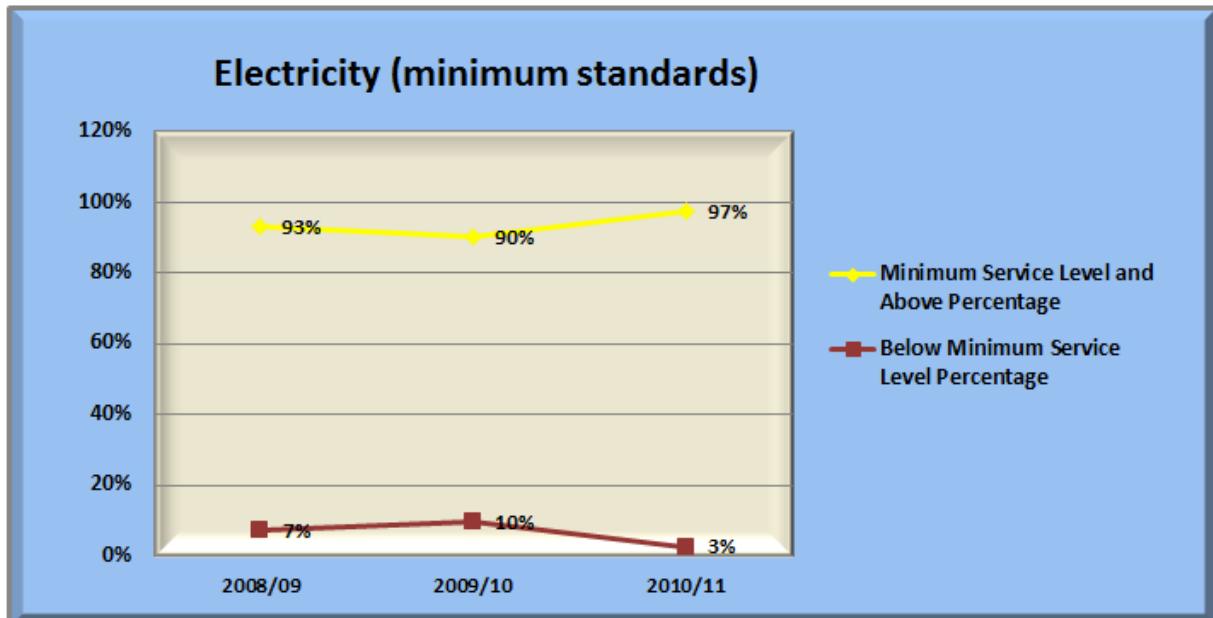
Table 86: Electricity service delivery levels

The graph shows the number of households categorised into the different service levels.



Graph 10: Electricity Service Delivery Levels

The graph below shows the amount of households that receive electricity above minimum electricity standards.



Graph 11: Electricity levels above minimum standards

4.5.7 HOUSING

The following table shows the increase in the number of people on the housing waiting list. There are currently approximately 4 292 housing units on the waiting list.

Financial year	Nr of housing units on waiting list	% Housing waiting list increase/decrease
2008/09	3 557	-
2009/10	4 157	16.7
2010/11	4 292	3.2

Table 87: Housing waiting list

A total amount of R9,088 million was allocated to build houses during the financial year under review. A summary of houses built, includes:

Financial year	Allocation (R'000)	Amount spent (R'000)	% spent	Number of houses built	Number of sites serviced
2008/09	3 338	4 897	146	110	110
2009/10	3 228	18 690	578	140	140
2010/11	9 088	7 944	87.4	0	343

Table 88: Housing

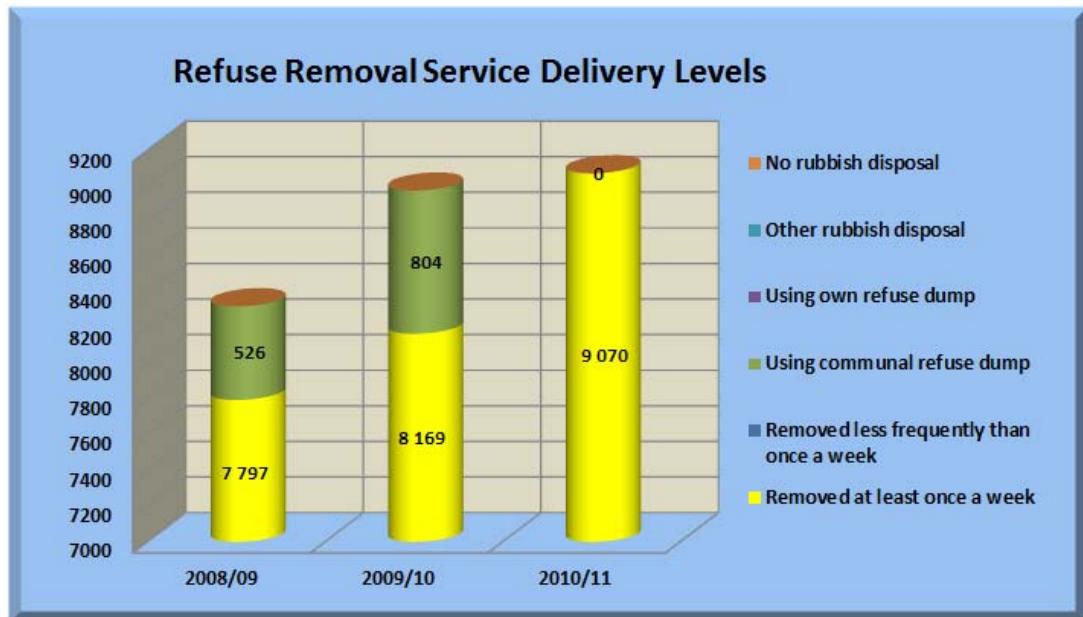
4.5.8 REFUSE REMOVAL

The table below indicates the different refuse removal service delivery level standards within the municipality:

Description	2008/09	2009/10	2010/11
	Actual	Actual	Actual
<u>Household</u>			
<i>Refuse Removal: (Minimum level)</i>			
Removed at least once a week	7 797	8 169	9 070
<i>Minimum Service Level and Above sub-total</i>	7 797	8 169	9 070
<i>Minimum Service Level and Above percentage</i>	93.68	91.04	100
<i>Refuse Removal: (Below minimum level)</i>			
Removed less frequently than once a week	0	0	0
Using communal refuse dump	526	804	0
Using own refuse dump	0	0	0
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0
<i>Below Minimum Service Level sub-total</i>	526	804	0
<i>Below Minimum Service Level percentage</i>	6.32	8.96	0
Total number of households	8 323	8 973	9 070

Table 89: Refuse removal service delivery levels

The graph indicates the different refuse removal standards which the households are receiving



Graph 12: Refuse removal service delivery levels

The graph below shows that all households within Cape Agulhas municipal area receive the minimum refuse removal standards



Graph 13: Refuse removal levels above standards

4.5.9 ROADS

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The following tables give an overview of the total kilometers of roads maintained and new roads tarred:

A) TARRED ROADS

Financial year	Total km tarred roads	Km of new tar roads	Km existing tar roads re-tarred	Km of existing tar roads re-sheeted	Km tar roads maintained
2008/09	165	1.5	2.8	3.4	120
2009/10	166.5	2.0	3.3	4.1	120
2010/11	168.3	1.8	6.5	6	125

Table 90: Tarred roads

B) GRAVELLED ROADS

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar	Km gravel roads graded/maintained
2008/09	34	0	1.5	34
2009/10	32.5	0	2.0	32.5
2010/11	30.5	0	1.8	30.5

Table 91: Gravelled roads

C) COST OF CONSTRUCTION/MAINTENANCE

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Financial year	Gravel			Tar		
	New R'000	Gravel – Tar R'000	Maintained R'000	New R'000	Re-worked R'000	Maintained R'000
2008/09	0	2 100	600	2 100	0	2 400
2009/10	0	2 300	600	2 300	6 000	3 600
2010/11	0	2 600	800	2 600	6 000	3 600

Table 92: Cost of construction/maintenance of roads

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4.5.10 STORMWATER

A) STORM WATER INFRASTRUCTURE

The table below shows the total kilometers of stormwater maintained and upgraded as well as the kilometers of new stormwater pipes installed:

Financial year	Total km Stormwater measures	Km new stormwater measures	Km stormwater measures upgraded	Km stormwater measures maintained
2008/09	63	0.5	1.0	5
2009/10	65	1.0	1.5	10
2010/11	70	5	1.5	15

Table 93: Stormwater infrastructure

B) COST OF CONSTRUCTION/MAINTENANCE

The table below indicates the amount of money spent on stormwater projects:

Financial year	Stormwater Measures		
	New R'000	Upgraded R'000	Maintained R'000
2007/08	680	300	388
2008/09	750	200	400
2009/10	990	400	485
2010/11	1 200	550	550

Table 94: Cost of construction/maintenance of stormwater systems

4.6 MUNICIPAL INFRASTRUCTURE AND OTHER GRANTS

The Municipality had a total amount of **R 35 000 000** for infrastructure and other capital projects available that was received in the form of grants from the National and Provincial Governments during the 2010/11 financial year. The performance in the spending of these grants is summarised as follows:

Description	2008/09		% spent	2009/10		% spent	2010/11		% spent
	Amount Received R'000	Amount Spent R'000		Amount Received R'000	Amount Spent R'000		Amount Received R'000	Amount Spent R'000	
National Government:									
Municipal Infrastructure Grant	3 689	3 689	100	6 077	6 077	100	6 446	6 446	100

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Description	2008/09		% spent	2009/10		% spent	2010/11		% spent
	Amount Received R'000	Amount Spent R'000		Amount Received R'000	Amount Spent R'000		Amount Received R'000	Amount Spent R'000	
Equitable share	9 185	9 185	100	10 527	10 527	100	13 494	13 494	100
Finance Management Grant	500	566	113	0	894	89	1 250	817	65.4
Municipal Systems Improvement Grant	735	400	54	0	0	0	750	719	95.9
Provincial Government:									
Libraries	259	259	100	401	401	100	345	345	100
Community Development Workers	74	14	19	48	30	63	50	31	62
Feeding Scheme	800	440	55	426	227	53	424	424	100
Masibambane programmes	180	180	100	220	220	100	0	0	n/a
Integrated Management Query System	0	0	0	100	100	100	0	0	n/a
Housing	5 065	5 065	100	20 452	18 690	91	9 088	7 944	87.4
SETA Training	146	156	107	187	187	100	129	129	100
Napier RDP Housing Electricity	n/a	n/a	n/a	n/a	n/a	n/a	2 000	1 798	89.4
Mobile Strategy Grant	n/a	n/a	n/a	n/a	n/a	n/a	1 100	1 029	93.5
District Municipality:									
Soccer 2010	0	0	n/a	201	0	0	0	0	n/a

Table 95: Spending of grants

4.7 ADDITIONAL PERFORMANCE

The table below enclose all additional performance of the municipality:

Type of service	2008/09	2009/10	2010/11
General Law enforcement			
Animals impounded	145	195	256
Motor vehicle licenses processed	12 665	13 230	13 545
Learner driver licenses processed and issued	2 045	4 246	5 247
Driver licenses processed	3 187	4 809	5 500

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Type of service	2008/09	2009/10	2010/11
Driver licenses issued	2 337	2 283	2 528
Fines issued for traffic offenses	7 082	4 096	5 236
R-value of fines collected	1 594 585	502 890	640 490
Roadblocks held	Information not readily available	41	62
Special Functions – Escorts	Information not readily available	100	65
Awareness initiatives on public safety	Information not readily available	24	22
Town Planning and Building Control			
Building plans application processed	470	420	344
Libraries			
Library members	10 226	10 779	10 860
Books circulated	276 984	277 349	295 870
Exhibitions held	145	160	172
Social Services			
Veggie gardens established	No Records	1	1
Soup kitchens established or supported	No Records	3	4
Initiatives to increase awareness on child abuse	No Records	1 (16 days of activism)	1 (16 days of activism)
Youngsters educated and empowered	No Records	Youth structures established in Arniston, Struisbaai and Bredasdorp	Youth conference established. Youth policy adopted by council
Initiatives to increase awareness on disability	No Records	Stakeholder meeting with disabled people.	Disability framework adopted by council
Initiatives to increase awareness on women	No Records	1 (16 days of activism)	1 (16 days of activism)
Women empowered	No Records	16 days of activism	16 days of activism
Initiatives to increase awareness on HIV/AIDS	No Records	World AID's day initiated	0

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Type of service	2008/09	2009/10	2010/11
Initiatives to increase awareness on Early Childhood Development	No Records	Database established of ECD centers in CAM	Visits to ECD centers and Engagement meetings
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	No Records	Drug awareness campaign with stakeholders	Drug awareness campaign with stakeholders
Special events hosted (World's Aids Day, World Arbour day, World Disability Day, Youth Day, 16 Days of activism against women abuse)	No Records	World AIDS DAY event initiated. 16 days of activism against women	World AIDS DAY event initiated. 16 days of activism against women
Local economic development initiatives			
Small businesses assisted	8 SMME's assisted with business opportunities and statutory registrations	40 SMME's assisted with business opportunities particularly around the 2010 FIFA World Cup	15 SMME's assisted with business opportunities and registrations
SMME's trained	15 SMME's assisted with business opportunities and registrations	40 trained in supply chain management processes and tender procedures	24
Community members trained for tourism	10	Members of the Eugene Newman Group	Tour guide training
Local artisans and crafters assisted	3 by providing space to exhibit items at Tourism information centers and at Hotagterklip	6 by providing space to exhibit items at Tourism information centers and at Hotagterklip	9 by providing space to exhibit items at Tourism information centers and at Hotagterklip
Recycling awareness programmes	Article in Suidernuus and distribution of pamphlets	Awareness campaign at Primary schools and distribution of pamphlets	Involved businesses by dividing their dirt in recycled and non-recycled.

Table 96: Additional Performance

4.8 LED

4.8.1 HIGHLIGHTS: LED

The following performance highlights with regard to the implementation of the LED strategy are:

Highlights	Description
Agriculture	One of the biggest producers of agricultural products in the country and the continent
Tourism	Remains a sought after tourism destination in the country
Infrastructure	Development and maintaining of a good infrastructure as well as

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Highlights	Description
	the continuing availability of bulk basic services
Economy	The area has a strong entrepreneurial basis

Table 97: LED Highlights

4.8.2 CHALLENGES: LED

The following challenges with regard to the implementation of the LED strategy are:

Description	Actions to address challenges
Unemployment	One of the biggest producers of agriculture products, but the commodities that are grown does not require labour intensiveness. The products need to be diversified to facilitate more job creation opportunities
Largely dependent on agriculture	Diversify the economy and facilitate bigger investment in the tourism & manufacturing sector. Utilise the fact that CAM is already a sought after tourism destination
Limited available natural sources	Marketing of the fynbos and wildflower species that grows in abundance in our area
Not situated on major national routes N2	The placement of sign boards on the N2 will direct people to the Most Southern Point of Africa. Development of a tourism route will culminate in a more vibrant tourism experience.
High skills shortages	Utilise the Skills Development Centre in Napier to develop skills that are required in the critical economic sectors of the area
Lack of tertiary training	Engage with the Department of Education to set up a satellite campus of Boland College in Bredasdorp
Limited access for marginalized communities to enter the mainstream economic opportunities	Facilitate BBBEE through the procurement processes of the municipality
Spatial segregation of communities where marginalized communities are normally located away from central business districts	Put integration of communities as a high priority with the review of our Spatial development Framework

Table 98: Challenges LED

4.8.3 LED STRATEGY

The Local Economic Development (LED) strategy along with the LED process plan is completed, reviewed yearly and being implemented. The LED strategy is built around commitment to develop a climate in which economic development and economic growth can prosper and growth is shared.

The LED strategy identifies various issues and strategic areas for intervention such as:

Strategic areas	Description
Growing of the major economic sectors with	Unemployment and job creation present key challenges to Government and

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Strategic areas	Description
comparative advantage	Cape Agulhas Municipality because it is only through equitable job creation that the problems of poverty and inequality can be addressed on a sustainable basis
Natural resource economics	The biodiversity of especially the Agulhas plain is another unique feature of this region, which can be utilised as a catalyst to stimulate the economic growth of the region. Properly managed eco-tourism holds great potential as an economic incentive for conservation, especially with regard to job creation
Construction	The construction sector performed quite well and this performance increased with all the construction activity in the run up to the 2010 FIFA World Cup event. The one factor that needs to be addressed is the skills shortages that exist in this sector
Trade promotion	although the Cape Agulhas manufacturing sector plays a relatively large role on a district level, the sector is not really export-focussed
Enterprise development	Cape Agulhas already has a vibrant SMME sector, which is an important component of any regional economy because it employs local labour and increases the local buying power. Around the world, small businesses are a big part of the global economy
Increased economic participation	A major portion of entrepreneurs in Cape Agulhas still find it extremely difficult to enter the mainstream economy and the issue of Black Economic Empowerment is barely visible. The lack of business knowledge related to product development, marketing and management is still a huge limitation for communities and individuals to participate in the local economies
Youth Economic Empowerment	Out of the 26 474 people residing in the Cape Agulhas municipal area 38.8% falls under the youth category between 16– 35 years. This is also the category that suffers the worst socio-economic challenges in our communities such as the high rate of unemployment, abject poverty, substance abuse and more importantly a lack of access to business opportunities
EPWP job creation portal	The second phase of the Expanded Public Works Programme (EPWP) has recently been rolled out by the Department of Transport & Public Works with the strategic objective to create approximately two million fulltime equivalent (FTE) job opportunities countrywide
2010 FIFA World Cup	Local people expect that this event will be the gateway to highly profitable economic opportunities and employment. An onus therefore rest upon Cape Agulhas Municipality and other strategic partners to ensure that such opportunities do not pass by the entrepreneurs and community of Cape Agulhas
Safety and security	The lifeblood of a vibrant local economy is investment and if Cape Agulhas endeavours to be a haven for potential investors a collective effort needs to be exercised to ensure a safe & secure environment
Sustainable development	Cape Agulhas Municipality has already pledged its support to the principles of sustainable development and illustrated its sensitivity towards the conservation of the environment
Institutional Capacity	The Council and management of Cape Agulhas Municipality are fully supportive of development and determined to increase capacity for economic development and other developmental objectives. A Local Economic Development (LED) unit was established recently, which provide adequate capacity to implement to implement this LED strategy and give effect to the strategic objectives of the municipality in

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Strategic areas	Description
	terms of LED
Skills development programs	The increasing number of the unemployed people in the area is either very low skilled or have experience of farm work where people have been evicted. These individuals are now forced to find alternative work but do not have the educational background or skills to find permanent employment

Table 99: LED Strategic areas

The progress with regard to the implementation of the LED strategy can be summarized as follows:

Phase	Activities	Timeframes
Phase 1	Orientation of relevant officials and councillors in respect of the economic character of the region	Completed
	Conduct desktop research out of various source documents of economic development studies done of the area	Completed
	Compilation of economic profile of the municipal area	Completed
Phase 2	Determine the key economic drivers in the region	Completed
	Determine the respective growth sectors and the performance of growth	Completed
	Engagement with the sector specialist within those growth sectors	Completed
Phase 3	Identify the respective stakeholders to participate in the LED strategy development process (Government, Business, Organised Labour, Civil Society)	Completed
	Interactive workshops with relevant stakeholders to determine strategic development interventions	Completed
	Convert strategic interventions into sustainable project proposals	Completed
	Alignment of project proposals to policy frameworks such as SDF	Completed
	Interventions should also include rural development	Completed
Phase 4	Development of a strategic framework document	Completed
Phase 5	Target setting linked to Monitoring & Evaluation System (PMS)	Completed

Table 100: LED progress

The LED strategy identifies various issues and strategic areas for intervention such as:

Objectives	Strategies
To ensure that positive growth takes place in the local economy and create a conducive environment for businesses to sustain itself in a competitive arena	Agriculture: Improve its comparative advantage by applying more innovative farming methods and marketing strategies to improve its competitive edge
We want to grow our major economic sectors with comparative advantage	Tourism: drafting of a comprehensive integrated Tourism development plan for CAM
Job creation & Skills development	Roll out of Capital projects to conform with EPWP principles
Create a conducive environment for business	Business Retention & Expansion Strategy

Table 101: LED Objectives and Strategies

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4.8.4 ECONOMIC ACTIVITY

The Cape Agulhas's economy accounted for 15.3% of the total regional economy of the Overberg District in 2009

The table below identifies the economic activity within the different sectors:

Sector	2008/09 (R'000)	2009/10 (R'000)	2010/11 (Projected)
Agriculture, forestry and fishing	181 137	185 211	189 286
Mining and quarrying	48	49	50
Manufacturing	80 507	80 187	79 866
Electricity	27 532	35 609	36 784
Construction	23 519	46 938	51 164
Trade	157 240	165 808	166 969
Transport	60 321	75 073	77 175
Finance	244 887	263 602	282 318
Community and social services	118 896	154 653	159 757

Table 102: Economic activity by sector

4.8.5 LED INITIATIVES

With a limited budget for LED Projects and one official assist with LED implementation the following initiative has been initiated as set out in the table below identifies the detail of the various LED initiatives in the municipal area:

Description of project	No of man-days created	Total Investment R'000	Amount spent to date R'000	Performance Highlights
Hot Agter Klip B&B/Coffee shop	6 full time job opportunities	1 200	180	Hot Agter Klip became a sought after tourist destination for international and local tourists en route to the Southern Most Tip of Africa
Health Gro emerging farming project	132 days	550	470	Empowering of local women as emerging farmers to enter the main stream Agricultural economy
Sizabantu Vegetables	140 days	180	70	Food security provided to people residing in the informal settlement of Zwelitsha . Empowering the beneficiaries as agricultural entrepreneurs
Southern Whales	44 days	1 500	650	Provides alternative economic opportunities for women entrepreneurs from fishing village of Kassiesbaai. Establish a sustainable economic empowerment initiative in the

Description of project	No of man-days created	Total Investment R'000	Amount spent to date R'000	Performance Highlights
				Arniston tourism industry.
Joan Joorst Take-aways	300 days	100	80	Empowering a local women entrepreneur on the Struisbaai Harbour precinct.
Redistribution of commonage land to emerging farmers	398 days	4 500	2 000	Accelerate the transformation of the agriculture industry and facilitate land reform.
Establishment of the Cape Agulhas LED agency	20 days	3 000	65	Establish increased capacity to implement high impact catalyst LED projects. Innovative Telematic distance learning Centre.
Salga P3 initiative	50 days	80	60	Establish effective strategic partnerships with stakeholders to facilitate economic development and create a conducive environment for business
Total	3 265 days	11 110	3 575	-

Table 103: LED initiatives

4.9 SERVICE PROVIDERS STRATEGIC PERFORMANCE

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. According to AG's office:

- Service provider means a person or institution or any combination of persons and institutions which provide a municipal service
- External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a municipality
- Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

Section 121(b) of the MFMA and Section 46 of the MSA further state that a municipality should include the following related to service providers in its annual report:

- The performance of each service provider
- a Comparison of the performance with targets set for and performances in the previous financial year; and
- measures taken to improve performance

The purpose of this section is to provide information related to the performance of external service providers. Only services rendered for an amount more than R200 000 are listed.

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The table below indicate service providers utilised according to functional areas:

a) Corporate Services

Description of services rendered	Term of contract	Performance areas
Security services at Bredasdorp Dumping site	3 months	Patrolling of terrain; No unauthorised persons on site; providing of directions to the correct offload zone; Manning of offload zones; overseeing the conditions pertaining to safety.
Quotations: Computers	date of delivery: 29/03/2011	Supply and installation of computer equipment
Supply and Erect of Vibracrete at Suikerbossie	2010/11	Erect of Vibracrete
Supply & Building of Pre-Fabricated Offices at Struisbaai	10 Working Days	Supply & Building of Pre-Fabricated Offices
The Supply, Delivery, Delivery and Maintenance of Digital Photocopiers	Year on Year	The Supply, Delivery, Delivery and Maintenance of Digital Photocopiers
Annual Tender: Stores Stock & Services	2010/11	Courier service

Table 104: Service Providers Performance – Corporate Services

b) Community Services

Description of services rendered	Term of contract	Performance areas
Various contracts for the building of bathrooms	3 Months	Building of Bathrooms
Provision of Security Services at Waenhuiskrans and Struisbaai Caravan Parks	36 days	Security Services
Professional Services: Extension to Bredasdorp & Napier Cemeteries	2010/11	Extension of Cemeteries Bredasdorp and Napier
Pay point for selling Prepaid Electricity	3 Years	Pay point for selling Prepaid Electricity
Supply and Erect of Fencing at Napier	2010/11	Supply and Erect of Fencing
Provision of Security Services at Waenhuiskrans and Struisbaai Caravan Parks	36 Days	Security Services
Annual Tender: Stores Stock & Services	2010/11	Refuse bags: 40 micron
Annual Tender: Stores Stock & Services	2010/11	Transparent refuse bags

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Description of services rendered	Term of contract	Performance areas
Annual Tender: Stores Stock & Services	2010/11	100 L Refuse bins
Purchase of vehicle: Traffic	5 years	1 x SABS approved 2000CC 1 Ton bakkie and maintenance plan
Purchase of vehicle: Community	5 years	1 x SABS approved 1300/1400 bakkie
Purchase of vehicle	5 years	2 x SABS approved Sedan Traffic vehicles and maintenance plan
Supply and delivery of quad bike with sprayer	2010/11	Supply and delivery of quad bike with sprayer
Building of bathrooms	3 months	Build bathrooms with concrete floors, plaster and paint walls, build and fit shower stall, fit window, install sewerage and water pipes

Table 105: Service Providers Performance – Economic Development Services

c) Electro Mechanical Engineering Services

Description of services rendered	Term of contract	Performance areas
Electrical Materials	2010/11	Mini Subs and Transformers
Electrical Materials	2010/11	Joints & Ends Bundle conductors
Electrical Materials	2010/11	Kiosk
Electrical Materials	2010/11	Street Lights
Electrical Materials	2010/11	Pine Poles Overhead hardware Ring main units Cacuum/SF6
Electrical Materials	2010/11	Lugs Electric cable HT fuses
High mast Lighting	8-12 weeks	High mast Lighting
Electrical Control Panels for Borehole Pumps 1 & 2 L'Agulhas	2010/11	Electrical Control Panels for Borehole Pumps 1 & 2 L'Agulhas

Table 106: Service Providers Performance – Electro Mechanical Engineering Services

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d) Financial Services

Description of services rendered	Term of contract	Performance areas
Transportation of Cash	3 Years	Cash in Transit
Microsoft Licenses and Services	3 Years	Microsoft Licenses and Services

Table 107: Service Providers Performance – Financial Services

e) Civil Engineering Services

Description of services rendered	Term of contract	Performance areas
Construction of water pipeline, Park street sports ground	2010/11	Construction of 75 mm water main Class 12 uPVC from the Bredasdorp Wastewater treatment Works to the Park Street sports fields.
Paving of varies sidewalks in Bredasdorp	7 months	Construction of paving on various sidewalks in Bredasdorp.
Construction Material	7 days from order	Supply of the following construction material: Premix stone 2 - 4 mm; Premix stone 6.7mm; Premix stone 9.5mm; Premix stone 13.2mm; Slurry Dust
Upgrading of building at Bredasdorp dumping site	1 month	Floor: 25mm surface level on 80mm 15MPA concrete on 250 micron moisture layer; Foundation: 600x230mm 15MPA concrete; Windows: Provide aluminium windows with measurements as indicated on plan. Installation of clear glass according to SABS & N.B.R standards; Paint: Paint new work with solid basis, minimum of 2 layers solid PVA inside and outside, paint existing building inside and outside with 2 solid layers. Provide galvanised diamond mesh sif in galvanised 25x25mm corner steel frame in front of new outside windows; Roof construction: 0.53 Zinkankalume roof sheeting on 152x50 rafters @ 1.0m C/C with loop of 600mm anchored deep in new walls. No ceiling
Rehabilitation of longstreet, Bredasdorp	6 months	Removal of existing pavement layers to an approved commercial spoil site; Construction of a new 40mm continuously graded asphalt layer; Construction of a new 150mm G2 base; Construction of a new 250mm G5 sub base; Installation of a new stormwater system consisting of pipe culverts, catch pits and manholes.
Various providers for the supply of Building Materials	Immediate Delivery	Diverse Building Material
Upgrading of Bonearo Crescent in Bredasdorp: Labour Only Construction of Paving and Kerbing	4 Months	Upgrading of Bonearo Crescent in Bredasdorp: Labour Only Construction of Paving and Kerbing

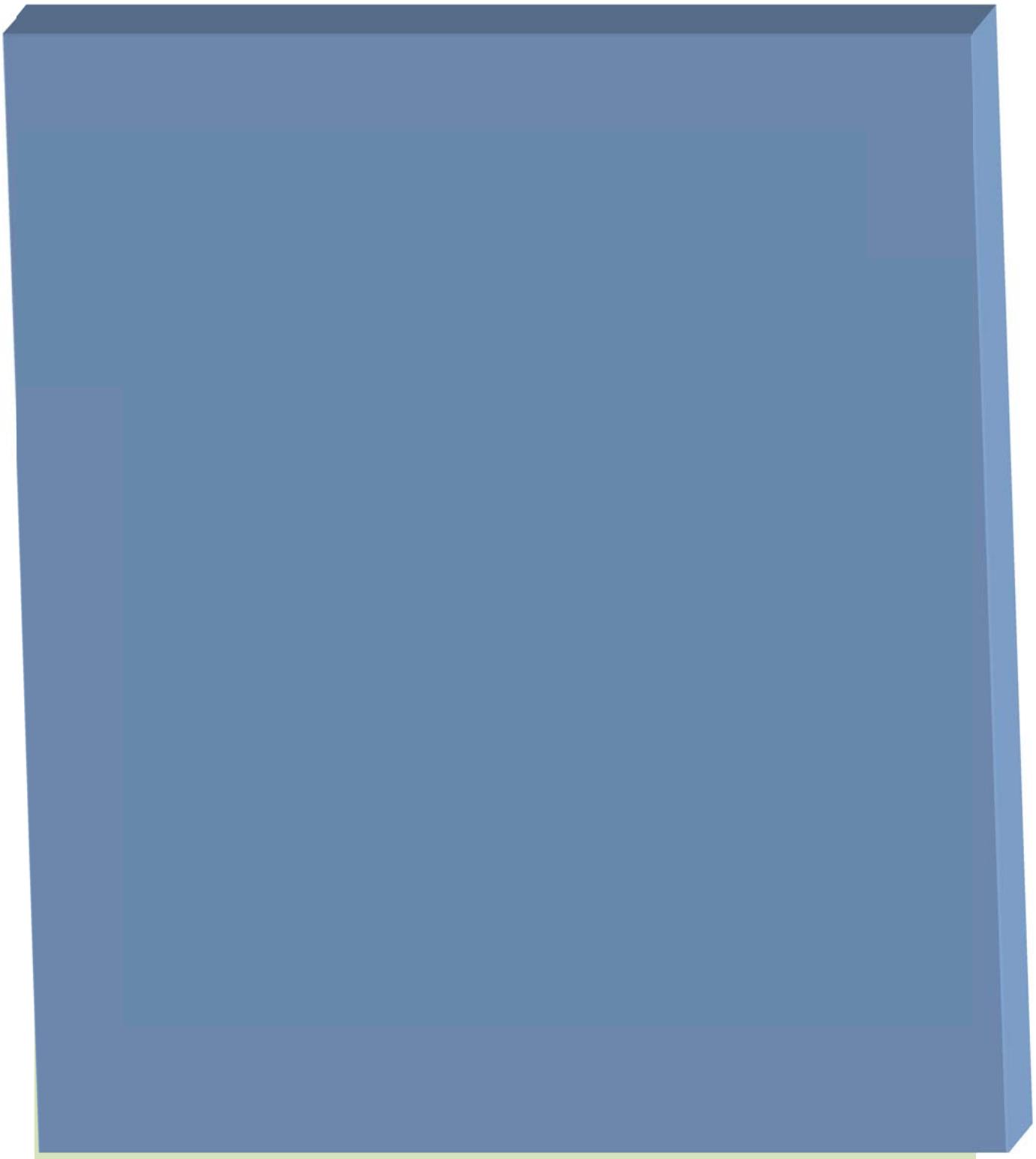
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Description of services rendered	Term of contract	Performance areas
Supply and Delivery of Building Materials, Bredasdorp	Immediate Delivery	Supply and Delivery of Building Materials, Bredasdorp
Annual Tender: Stores Stock & Services	2010/11	Road Construction and building materials
Annual Tender: Stores Stock & Services	2010/11	Transport of road construction materials
Annual Tender: Stores Stock & Services	2010/11	Road construction machinery
Annual Tender: Stores Stock & Services	2010/11	Bitumen products
Annual Tender: Stores Stock & Services	2010/11	Storm water pipes
Annual Tender: Stores Stock & Services	2010/11	Calvert's
Annual Tender: Stores Stock & Services	2010/11	Pre-fab concrete products
Annual Tender: Stores Stock & Services	2010/11	Manhole covers, frames and grids
Annual Tender: Stores Stock & Services	2010/11	High pressure water pipes and fittings
Annual Tender: Stores Stock & Services	2010/11	Reticulation control taps and fire hydrants
Annual Tender: Stores Stock & Services	2010/11	Sewerage pipes and fittings
Annual Tender: Stores Stock & Services	2010/11	Aluminium Sulphate chemicals
Annual Tender: Stores Stock & Services	2010/11	HTH 50 kg
Annual Tender: Stores Stock & Services	2010/11	Aquastab pebbles
Annual Tender: Stores Stock & Services	2010/11	Chloride gas
Annual Tender: Stores Stock & Services	2010/11	Bio-enzyme and oyhinator
Annual Tender: Stores Stock & Services	2010/11	Liquid aluminium sulphate and chloride tablets
Annual Tender: Stores Stock & Services	2010/11	Re-agents for chemical tests
Annual Tender: Stores Stock & Services	2010/11	Tests for water and sewerage samples
Annual Tender: Stores Stock & Services	2010/11	Paving bricks
Annual Tender: Stores Stock & Services	2010/11	Safety vests
Annual Tender: Stores Stock & Services	2010/11	Protective clothing: T-shirts
Annual Tender: Stores Stock & Services	2010/11	Water boots
Annual Tender: Stores Stock & Services	2010/11	Protective gloves
Annual Tender: Stores Stock & Services	2010/11	Safety bibs

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Description of services rendered	Term of contract	Performance areas
Annual Tender: Stores Stock & Services	2010/11	Anti-static safety boots
Annual Tender: Stores Stock & Services	2010/11	Stationary
Purchase of vehicle: Water, Building	5 years	5 x SABS approved 2000 1 Ton Bakkies and 5 year maintenance plan
Purchase of vehicle	5 years	2 x SABS approved 4 T trucks
Purchase of vehicle	5 years	1 x 6M Tipper Truck
Rehabilitation of sand filters	Immediate	Rehabilitation of sand filters no 1 & 3 Water treatment Works Bredasdorp
Upgrading of Water Purification Plant	Phase1: 6 weeks: Phase 2: One year	Upgrade of water purification plant to: Maximum Water Demand: 20m3/ day; required product quality SANS 241:2006: Class 1
Construction of stormwater system and upgrading of an intersection in Struisbaai	5 weeks	Trenching for pipes; placement on bedding, backfilling, compaction, paving; site clearance, earthworks, stormwater drainage; segmented paving
Building of bathrooms	3 months	Build bathrooms with concrete floors, plaster and paint walls, build and fit shower stall, fit window, install sewerage and water pipes

Table 108: Service Providers Performance – Civil Engineering Services



CHAPTER 5: FUNCTIONAL PERFORMANCE

This chapter will provide information on the functional performance of the municipality and will indicate the actual performance against targets set. Performance is evaluated through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels. The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The departmental SDBIP was compiled by senior managers for their directorate and consists of objectives, indicators and targets derived from the approved Top Layer SDBIP, the approved budget and measurable service delivery indicators related to each functional area.

The municipality utilizes an electronic web based system on which directorates update actual performance on a monthly basis. The directorates report on the actual results by documenting the following information on the performance system:

- The actual result in terms of the target set.
- The output/outcome of achieving the target.
- The calculation of the actual performance reported
- The reasons if the target was not achieved.
- Actions to improve the performance against the target set, if the target was not achieved.

A portfolio of evidence to support actual performance results are kept by the various directorates for audit purposes.

The municipality's performance was measured during the 2010/11 financial year as follows:

- Directorates reviewed and reported on their performance on a monthly basis via the electronic SDBIP system.
- Quarterly reports were submitted to Council.
- Section 56 and 57 employees were evaluated on a bi-annual basis.
- Individual performance of all staff members were evaluated during November/December 2010.
- Financial performance were monitored in terms of Section 71 of the MFMA and submitted to Council on a monthly basis.
- Quarterly reports were submitted to the Performance Audit Committee.

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The municipal functional areas are as indicated below:

Municipal Function	Municipal Function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	No
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Fire fighting services	No
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	No
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	No
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No

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Municipal Function	Municipal Function Yes / No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 109: Functional Areas

5.1 PERFORMANCE HIGHLIGHTS PER FUNCTIONAL AREAS

The table below indicate the main performance highlights per functional area:

Directorate/ Functional area	Sub Directorate	Highlights
Executive and Council	Council	Political stability
	Mayor	Successful overview of legal compliance; Adherence to legal timeframes in adoption of IDP, SDBIP and budget
	Speaker	Successful implementation of Ward Committee system
	Ward Committees	<ul style="list-style-type: none"> • Effective functioning of all Ward Committee with the exception of Ward 5 which has since been resolved • Good participation by the community
Office of the Municipal Manager	Municipal Manager	<ul style="list-style-type: none"> • Unqualified audit report; high legal compliance of municipality • Participation in international study workgroup to Germany on bio-energy projects • Launch of Ark Industries project for waste to energy renewal project
	LED & IDP	Establishment of a complete IDP/LED section within the municipality
	Human Development	<ul style="list-style-type: none"> • Various successful development programs through the LED strategy and implementation of EPWP programs • Facilitated the promotion of job creation via the department of Environmental Affairs to employ 77 temporary jobs for 24 months as part of the Work for the Coast programme (Extended Public Works Program project)
	Internal Audit	Appointment of two interns in the internal audit section
Corporate Services	Traffic	Relatively safe traffic environment
	Library	Good functioning libraries that is well supported by the community
	Administrative support	<ul style="list-style-type: none"> • Well established website that is constantly being improved • Establishment of a proper performance management support system
	Human Resources	Complete revision and approval of the organogram

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Directorate/ Functional area	Sub Directorate	Highlights
	Protection Services	Relatively safe environment
	Environmental protection	Development of coastal setback lines
Financial Services	Assets	The complete and full unbundling of all assets
	Information Technology	Continued upgrading of the municipal IT systems
	Supply Chain Management	New Supply Chain Policies and processes were developed and implemented
Community Services	Sport and Recreation	<ul style="list-style-type: none"> • Continuous development of sports facilities • Continuous support of sport activities
	Housing	<ul style="list-style-type: none"> • Have completed servicing 343 low cost erven during the year • In the process of implementing the GAP housing project to make provision for the R3 500 to R10 000 income category • Implemented a proactive approach to informal settlement development. Informal management monitors were appointed to monitor informal settlements which will lead to less people settling illegally in the areas
	Public Services	A new crèche has been built in Napier in partnership with a low cost housing developing company
	Public Safety	Relatively safe environment to live in
Civil Engineering Services	Solid Waste, Water and Sewerage Purification	<ul style="list-style-type: none"> • Securing of RBIG funds for upgrading of the Waste Water Treatment Works at Struisbaai • Securing of RBIG funds for upgrading of the Waste Water Treatment Works at Struisbaai
	Water & Sewerage Distribution	All households that are serviced by the municipality are receiving water at minimum levels or above and have access to proper sanitation
	Streets and Stormwater	<ul style="list-style-type: none"> • Extended Public Works Program compliant projects and eligibility certification • All projects budgeted for was completed • 100% spending of the Municipal Infrastructure Grants
	Roads Transport	Successful completion of Longstreet (Bredasdorp) rehabilitation, phase 1
	Waste Management	<ul style="list-style-type: none"> • Launching of the recycling awareness campaign with a resultant increase in the volume of recycling • Visit to Bavaria, Germany on Technological Transfer Seminar in Waste Management
	Waste Water Management	Re-use of the Waste Water treatment Works effluent water for the watering of sport fields
Electro Mechanical Engineering Services	Water	<ul style="list-style-type: none"> • Successful management of scarce water resources during drought conditions • Development of new ground water resources
	Electricity	<p>The electricity section is totally run by the department with no use of outside contractors</p> <p>Appointment of four interns</p>

Table 110: Performance highlights per functional area

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5.2 OVERVIEW OF PERFORMANCE

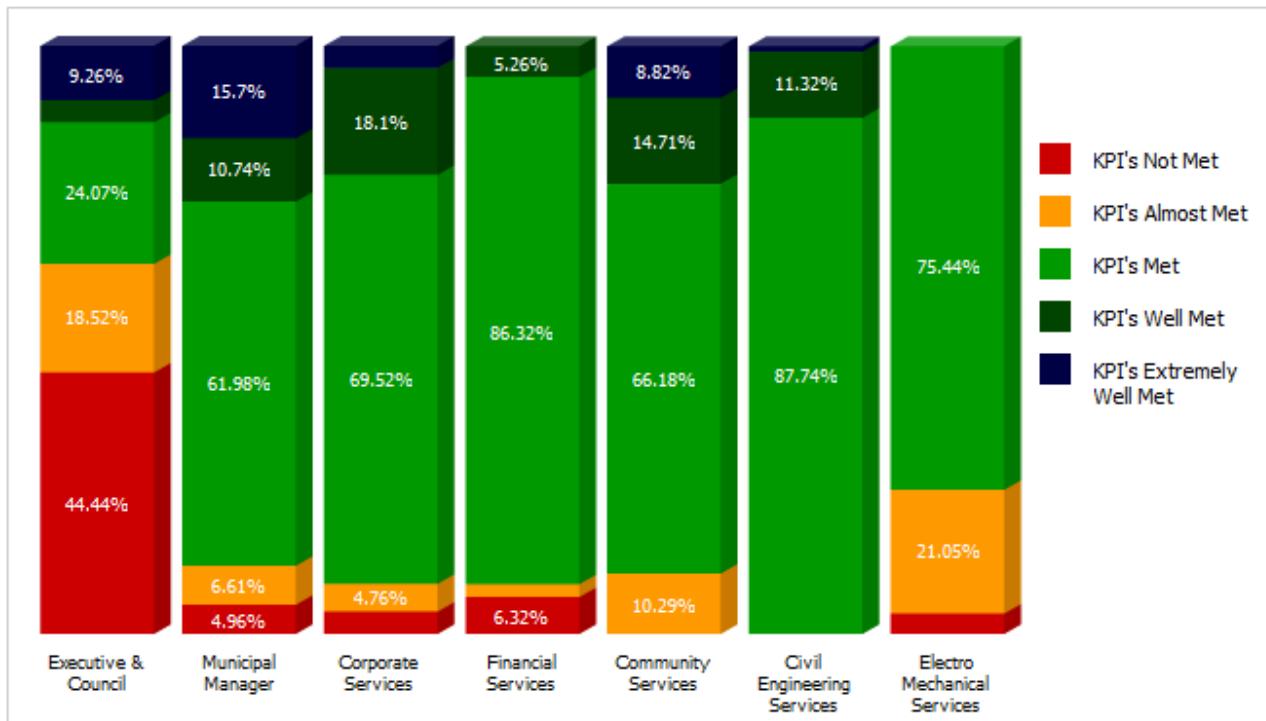
The performance statistics in the table below and all the graphs in the following sub paragraphs include performance in terms of the Departmental SDBIP, which measures operational performance, as well as, the performance in terms of the Top Layer SDBIP. The graph for each directorate is an overview of the overall results of all the KPI's measured in terms of the municipal SDBIP performance management system.

Directorate	Financial Year	Total KPIs	KPIs Extremely Well Met	KPIs Well Met	KPIs Met	KPIs almost Met	KPIs not Met
Executive and Council	2009/10	41	n/a	n/a	35	0	6
	2010/11	54	5	2	13	10	24
Office of the Municipal Manager	2009/10	56	n/a	n/a	43	12	1
	2010/11	121	19	13	75	8	6
Corporate Services	2009/10	70	n/a	n/a	65	4	1
	2010/11	105	4	19	73	5	4
Financial Services	2009/10	71	n/a	n/a	64	2	5
	2010/11	95	0	5	82	2	6
Community Services	2009/10	51	n/a	n/a	47	3	1
	2010/11	68	6	10	45	7	0
Civil Engineering Services	2009/10	72	n/a	n/a	69	3	0
	2010/11	106	1	12	93	0	0
Electro Mechanical Engineering Services	2009/10	38	n/a	n/a	35	2	1
	2010/11	57	0	0	43	12	2
Cape Agulhas Municipality	2009/10	399	n/a	n/a	358	26	15
	2010/11	606	35	61	424	44	42

Table 111: Summary of total performance

Note: The table above does not include KPI's not measured yet in the Top Layer and Departmental SDBIP

The following graph indicates the overall results of all the KPI's measured of the various directorates in terms of the municipal SDBIP performance management system



Graph 14: Overall performance of directorates

5.3 PERFORMANCE PER FUNCTIONAL AREA (DEPARTMENTAL/OPERATIONAL SDBIP)

5.3.1 EXECUTIVE AND COUNCIL

The Executive and Council consist of the following divisions:

- Council
- Mayor
- Speaker and Wards 1 to 5

The Operational Key Performance Indicators for the Executive and Council are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

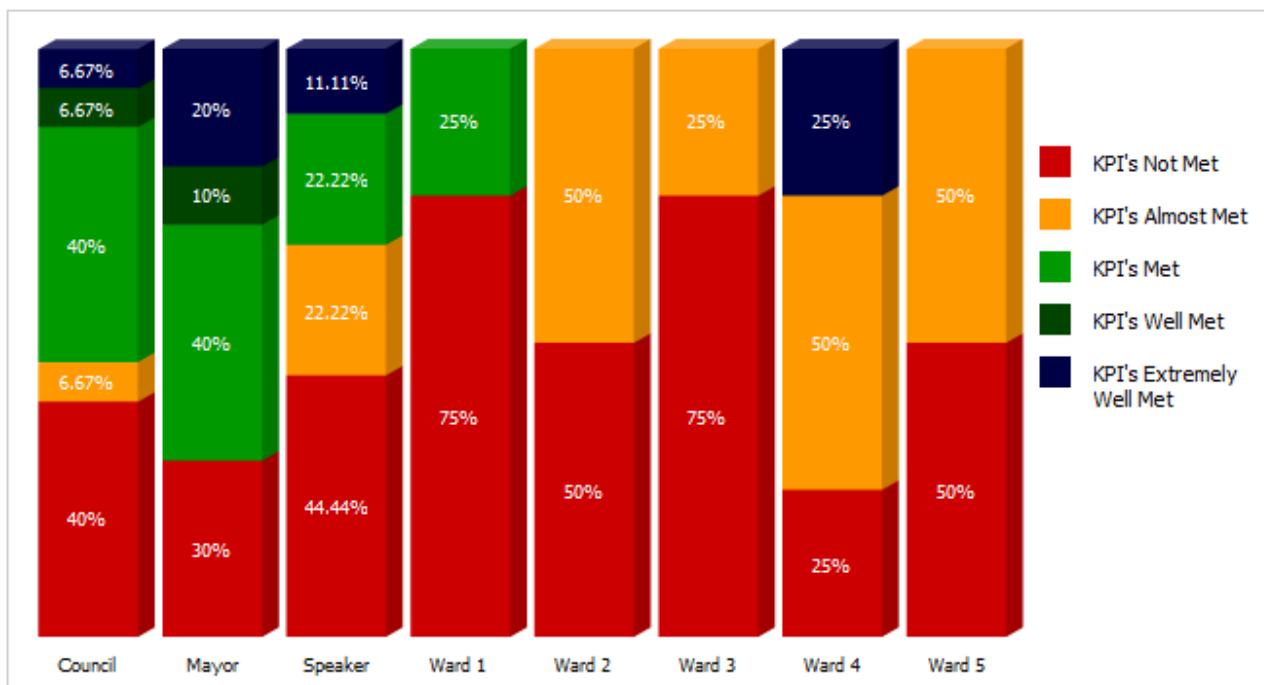
National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	To provide an administration that ensures public participation in a transparent and accountable way as well

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National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
		as to promote intergovernmental relations
Municipal Financial Viability and Management	Financial viability	To manage municipal resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Transformation and institutional capacity	To implement internal policies, strategies and work procedures in an integrated way
Local Economic Development	Local Economic Development	Promote economic development that is aimed at development that will satisfy the needs of the current generation without putting at risk the needs of the future generation to satisfy their own needs
Basic Service Delivery	Basic services and infrastructure	Effective law enforcement to ensure a safe environment for our community and visitors" and "uplift the entire CAM area to equal service delivery levels

Table 112: Functional alignment – Executive and Council

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Executive and Council directorate in terms of the municipal SDBIP performance management system



Graph 15: Executive and Council sub-directorate performance

5.3.2 OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager consists of the following divisions:

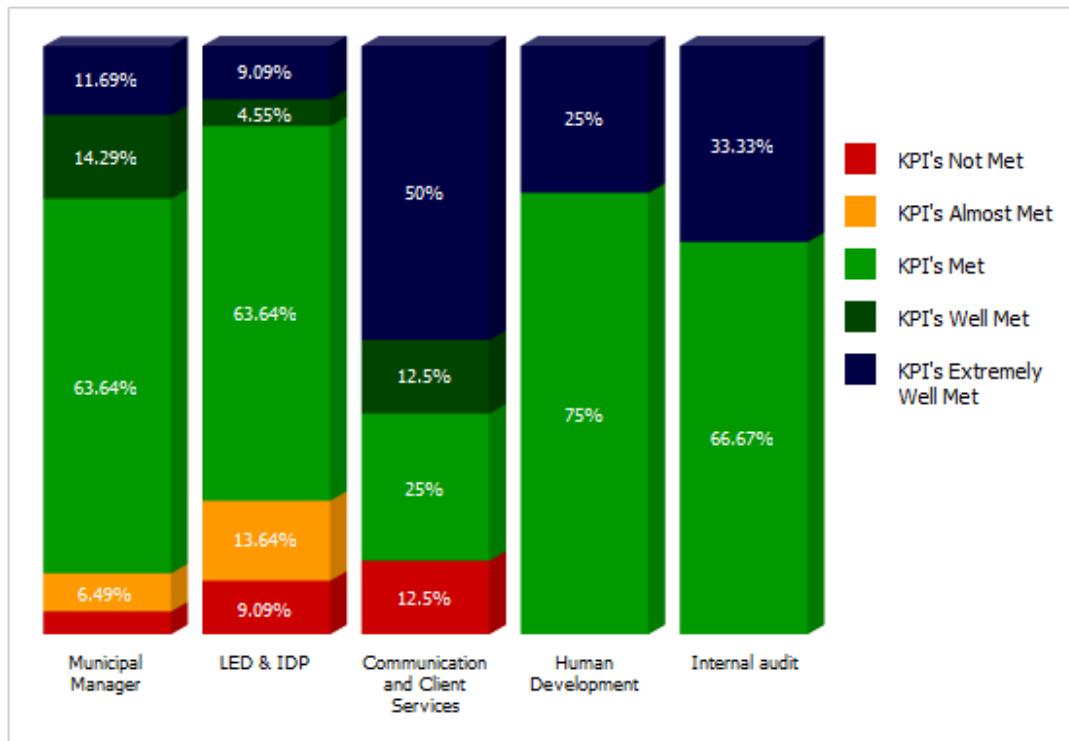
- Municipal Manager
- LED & IDP
- Internal Audit
- Human Development
- Communication and Client Services

The Operational Key Performance Indicators for the Office of the Municipal Manager are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Municipal Financial Viability and Management	Financial viability	To manage municipal resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Transformation and institutional capacity	To implement internal policies, strategies and work procedures in an integrated way
Local Economic Development	Local Economic Development	Promote economic development that is aimed at development that will satisfy the needs of the current generation without putting at risk the needs of the future generation to satisfy their own needs
Basic Service Delivery	Basic services and infrastructure	Effective law enforcement to ensure a safe environment for our community and visitors" and "uplift the entire CAM area to equal service delivery levels

Table 113: Functional alignment – Office of the Municipal Manager

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Office of the Municipal Manager directorate in terms of the municipal SDBIP performance management system



Graph 16: Office of the Municipal Manager sub-directorate performance

5.3.3 CORPORATE SERVICES

Corporate Services consists of the following divisions:

- Director: Corporate Services
- Library
- Administrative support
- Human Resources
- Protection Services

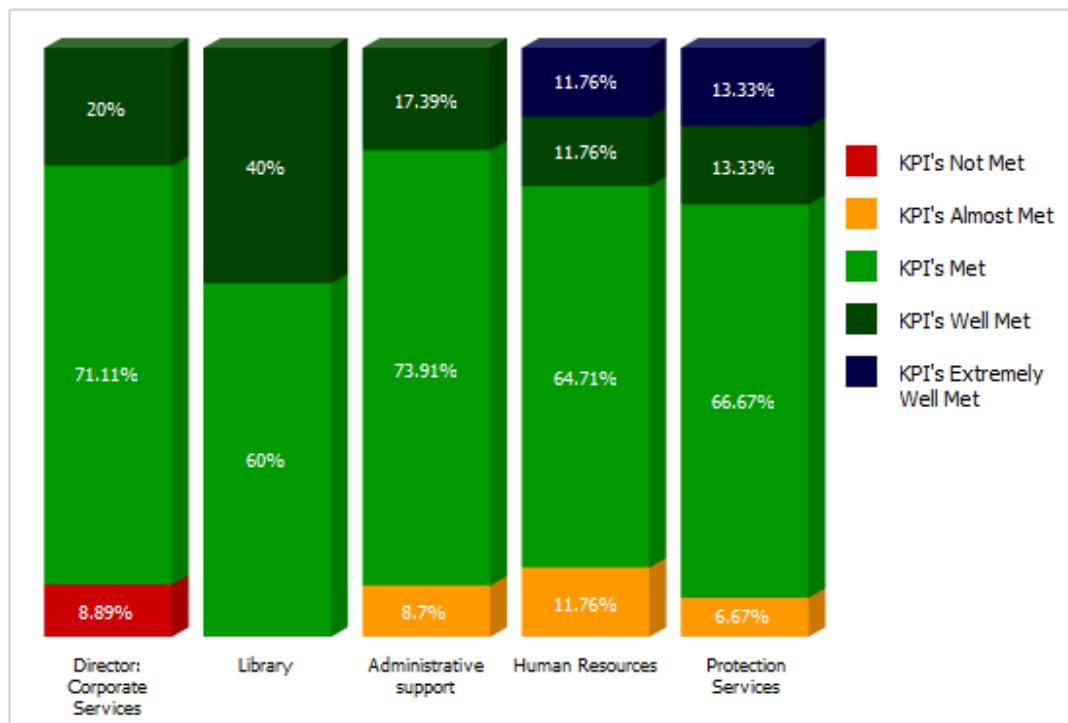
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The Operational Key Performance Indicators for Corporate Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Municipal Financial Viability and Management	Financial viability	To manage municipal resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Transformation and institutional capacity	To implement internal policies, strategies and work procedures in an integrated way
Local Economic Development	Local Economic Development	Promote economic development that is aimed at development that will satisfy the needs of the current generation without putting at risk the needs of the future generation to satisfy their own needs
Basic Service Delivery	Basic services and infrastructure	Effective law enforcement to ensure a safe environment for our community and visitors" and "uplift the entire CAM area to equal service delivery levels

Table 114: Functional alignment – Corporate Services

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Corporate Services directorate in terms of the municipal SDBIP performance management system



Graph 17: Corporate Services sub-directorate performance

5.3.4

FINANCIAL SERVICES

Financial Services consists of the following divisions:

- Director: Finance
- Expenditure
- Income
- Information Technology
- Supply Chain Management
- Budget and Treasury Office

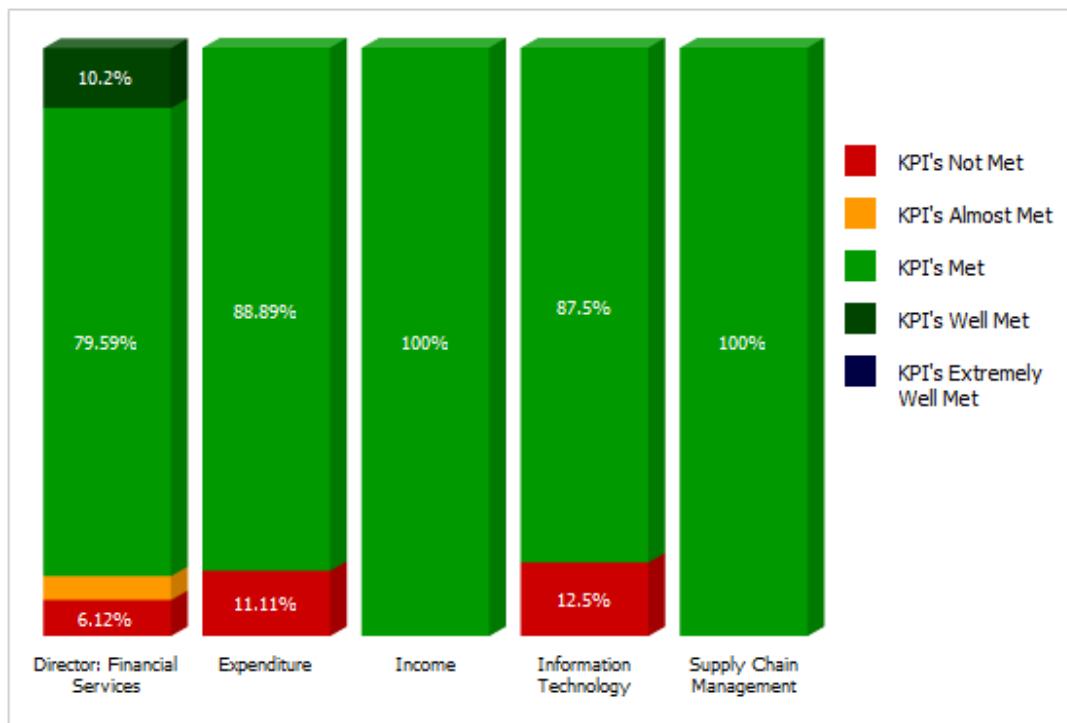
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The Operational Key Performance Indicators for Financial Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Municipal Financial Viability and Management	Financial viability	To manage municipal resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Transformation and institutional capacity	To implement internal policies, strategies and work procedures in an integrated way
Local Economic Development	Local Economic Development	Promote economic development that is aimed at development that will satisfy the needs of the current generation without putting at risk the needs of the future generation to satisfy their own needs
Basic Service Delivery	Basic services and infrastructure	Effective law enforcement to ensure a safe environment for our community and visitors" and "uplift the entire CAM area to equal service delivery levels

Table 115: Functional alignment – Financial Services

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Financial Services directorate in terms of the municipal SDBIP performance management system



Graph 18: Financial Services sub-directorate performance

5.3.5 COMMUNITY SERVICES

Community Services consists of the following divisions:

- Director: Community Services
- Sport and Recreation
- Housing
- Town Planning & Building Control
- Public Services((sport & recreation, grave yards, community facilities, maintenance of public open spaces and gardens)
- Public Safety
- Environmental Protection

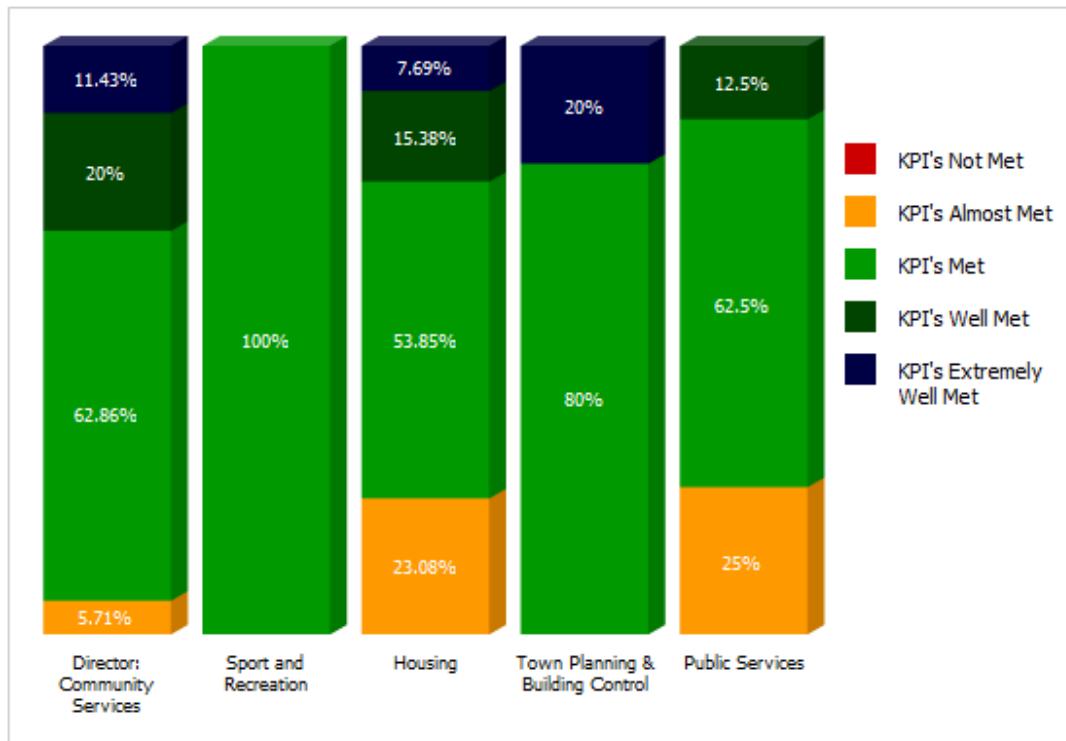
The Operational Key Performance Indicators for Community Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

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National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Municipal Financial Viability and Management	Financial viability	To manage municipal resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Transformation and institutional capacity	To implement internal policies, strategies and work procedures in an integrated way

Table 116: Functional alignment – Community Services

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Community Services directorate in terms of the municipal SDBIP performance management system



Graph 19: Community Services sub-directorate performance

5.3.6 CIVIL ENGINEERING SERVICES

Civil Engineering Services consists of the following divisions:

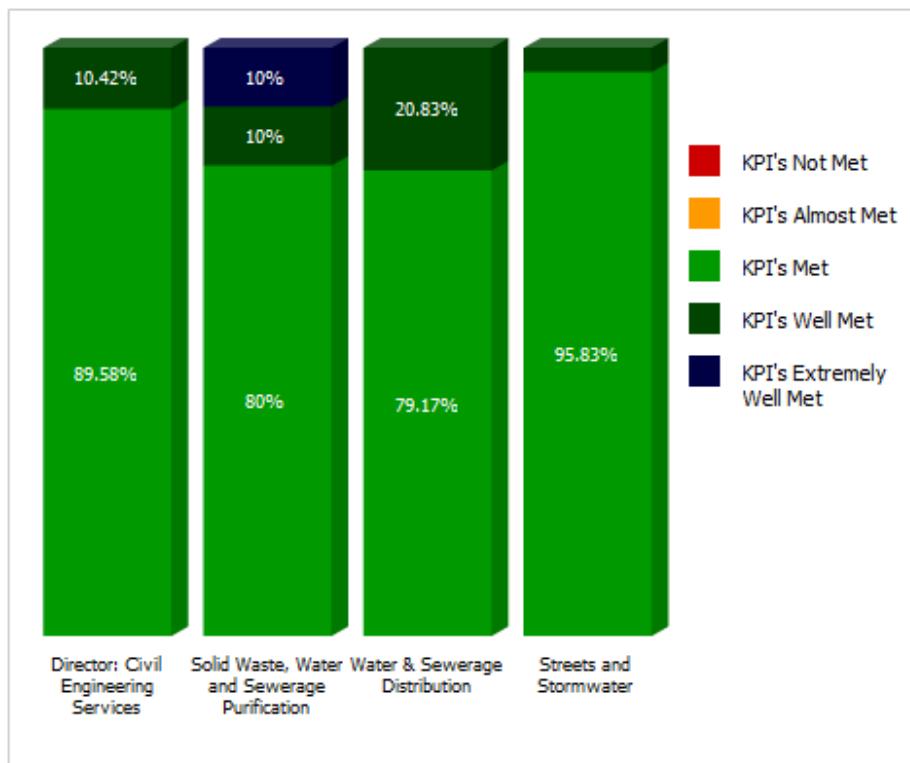
- Director: Civil Engineering Services
- Solid Waste, Water and Sewerage Purification
- Water and Sewerage Distribution
- Streets and Stormwater
- Roads Transport
- Waste Management
- Waste Water Management
- Water

The Operational Key Performance Indicators for Civil Engineering Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Municipal Financial Viability and Management	Financial viability	To manage municipal resources in such a way that it improves the sustainability of municipal assets and daily activities as well as to ensure that financial planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Transformation and institutional capacity	To implement internal policies, strategies and work procedures in an integrated way
Local Economic Development	Local Economic Development	Promote economic development that is aimed at development that will satisfy the needs of the current generation without putting at risk the needs of the future generation to satisfy their own needs
Basic Service Delivery	Basic services and infrastructure	Effective law enforcement to ensure a safe environment for our community and visitors" and "uplift the entire CAM area to equal service delivery levels

Table 117: Functional alignment – Civil Engineering Services

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Civil Engineering Services directorate in terms of the municipal SDBIP performance management system



Graph 20: Civil Engineering Services sub-directorate performance

5.3.7 ELECTRO MECHANICAL ENGINEERING SERVICES

Electro Mechanical Engineering Services consists of the following divisions:

- Assistant Director: Electro Mechanical Engineering Services
- Electricity

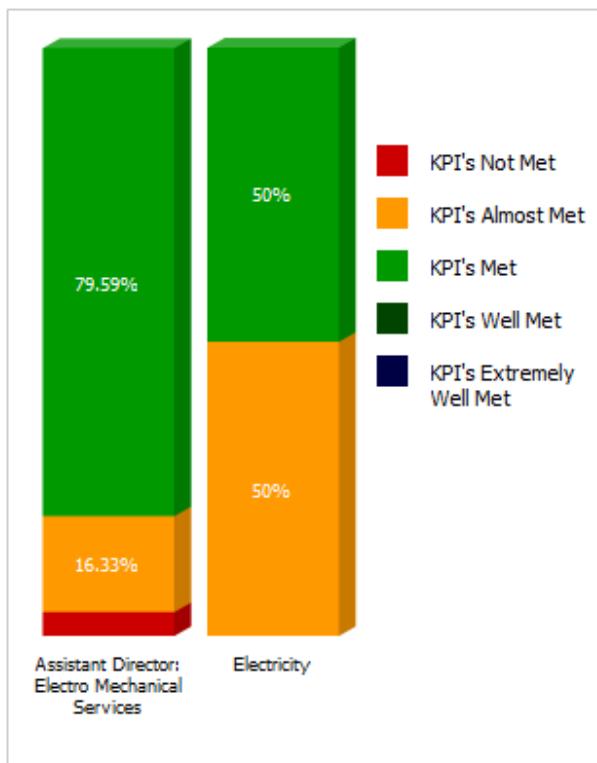
The Operational Key Performance Indicators for Electro Mechanical Engineering Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
Good Governance and Public Participation	Good governance	To provide an administration that ensures public participation in a transparent and accountable way as well as to promote intergovernmental relations
Municipal Financial Viability and Management	Financial viability	To manage municipal resources in such a way that it improves the sustainability of municipal assets and daily activities as

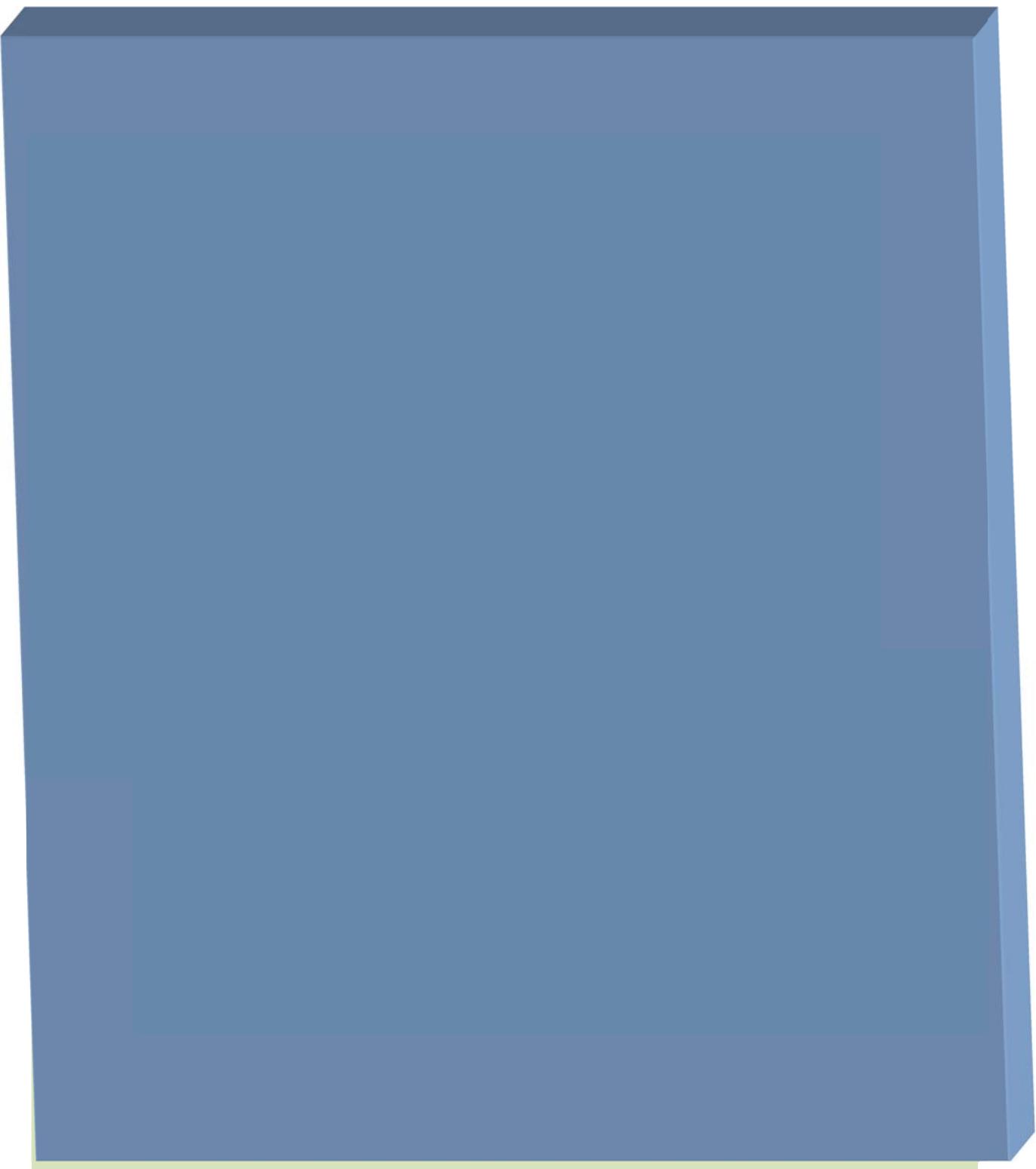
National Key Performance Area	Municipal Key Performance Area	IDP Strategic Objectives
		well as to ensure that financial planning and budget linkages can be executed effectively
Municipal Transformation and Institutional Development	Transformation and institutional capacity	To implement internal policies, strategies and work procedures in an integrated way
Local Economic Development	Local Economic Development	Promote economic development that is aimed at development that will satisfy the needs of the current generation without putting at risk the needs of the future generation to satisfy their own needs
Basic Service Delivery	Basic services and infrastructure	Effective law enforcement to ensure a safe environment for our community and visitors" and "uplift the entire CAM area to equal service delivery levels

Table 118: Functional alignment – Electro Mechanical Engineering Services

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Electro Mechanical Engineering Services directorate in terms of the municipal SDBIP performance management system



Graph 21: Electro Mechanical Engineering Services sub-directorate performance



CHAPTER 6: FINANCIAL PERFORMANCE

6.1 NATIONAL KEY PERFORMANCE INDICATORS - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

KPA & INDICATOR	2008/09	2009/10	2010/11
Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	1 095.3%	893.7%	220.4%
Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	14.8%	14.5%	16.8%
Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	1 053.8%	768.6%	250.9%

Table 119: National KPI's for financial viability and management

6.2 FINANCIAL VIABILITY HIGHLIGHTS

Below are the main financial viability highlights for the 201/11 year:

Highlight	Description
Report of the Auditor-General	The municipality again received an unqualified audit report for the 2009/10 financial year
Information Technology	The municipality created its own technical section within the IT division
Supply Chain Management	New Supply Chain Policies and processes were developed and implemented
Public Private Partnership (PPP)	A new PPPFA policy was developed and implemented

Table 120: Financial Viability Highlights

6.3 FINANCIAL VIABILITY CHALLENGES

Below are the financial viability challenges for the 201/11 year:

Challenge	Action to address
Improvement of the Supply Chain management Processes	Review policy and procedures
ICT development	Implement domain server in ICT and improve network
Improvement of the cash flow situation of the municipality	Review policy and procedures, establish an internal debt collection unit
Capacity constraints	Appoint critical staff, multi skilling of staff;
Expansion of revenue	Improve debtor collection; encourage investment; use of

Challenge	Action to address
	external loans vs. internal funding
Maintenance of assets	Compile maintenance plan and budget; recording of all assets
Unfunded mandates	Refuse unfunded/ underfunded mandates
Effective and full use of conditional grants	Improved project management
Dependency on consultants	Skill transfer and training of staff
Revenue and cash flow management	Review policies and procedures; cash flow program, contract and project management
Recording of all assets	Asset audit and register; regular stock taking
Legislative compliance	Train staff and improve accountability
Prevention of fraud and corruption	Establishment of internal audit unit
Unaffordability of services	Community engagement to determine level of service

Table 121: Financial Viability Challenges

6.4 FINANCIAL SUSTAINABILITY

6.4.1 OPERATING RESULTS

The table below shows a summary of performance against budgets for the past three financial years:

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2008/09	102 350	118 741	16 391	116.0	102 354	106 468	4 114	104.0
2009/10	124 982	146 536	21 554	117.2	119 817	139 193	19 376	116.1
2010/11	157 961	156 321	(1 640)	99.0	166 836	159 624	(7 212)	95.7

Table 122: Performance against budgets

The following graph indicates the various types of revenue items in the municipal budget for 2010/11

[Graph to be inserted with final draft]

Graph 22: Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2010/11

[Graph to be inserted with final draft]

Graph 23: Operating expenditure

6.4.2 OUTSTANDING DEBTORS

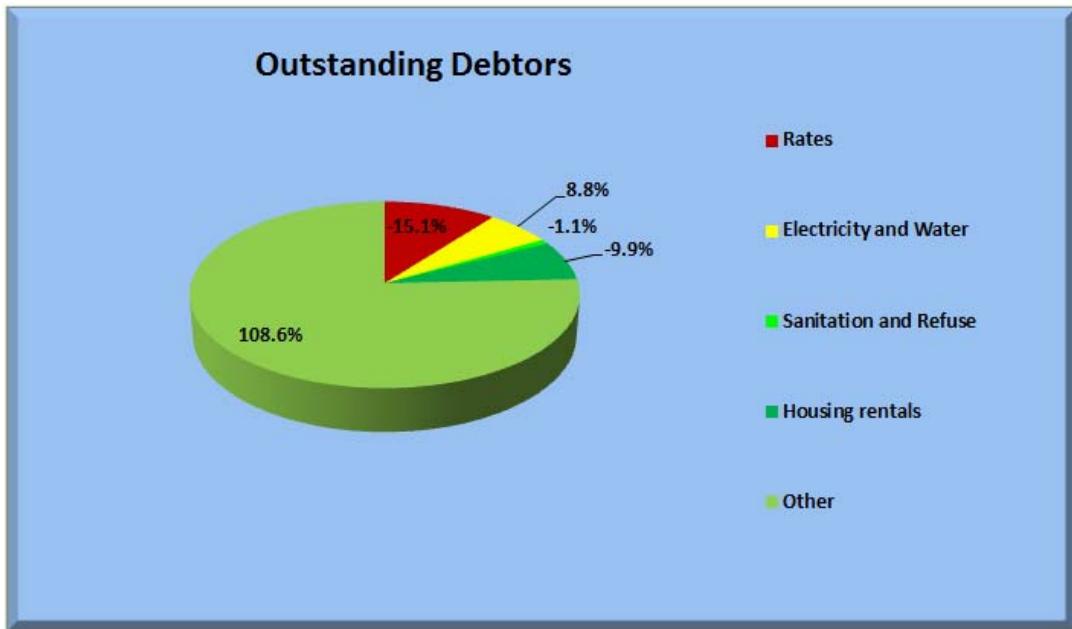
A) GROSS OUTSTANDING DEBTORS PER SERVICE

The table below indicates the gross outstanding debtors per service for the past three financial years:

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
		R'000	R'000	R'000	R'000	R'000
2008/09	2 067	6 188	1 920	92	1 302	11 569
2009/10	2 672	7 167	1 971	81	1 001	12 892
2010/11	2 269	7 798	1 949	73	2 088	14 178
Difference	(403)	631	(22)	(8)	1 087	1 285
% growth year on year	(15.1)	8.8	(1.1)	(9.9)	108.6	10.0

Table 123: Gross outstanding debtors per service

The following graph indicates the total outstanding debt per type of service for 2010/11



Graph 24: Debt per type of service

B) TOTAL DEBTORS AGE ANALYSIS

The table below indicates the gross outstanding debtors' age analysis for the past three financial years:

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2008/09	5 947	1 278	367	3 977	11 569
2009/10	6 642	1 400	422	4 428	12 892
2010/11	8 720	416	433	4 609	14 178
Difference	2 078	(984)	11	181	1 286
% growth/decline year on year	31.3	(70.3)	2.6	4.08	10.0

Table 124: Service debtor age analysis

Note: Figures exclude provision for bad debt

6.4.3 VIABILITY INDICATORS

A) LEVEL OF RELIANCE ON GRANTS AND SUBSIDIES

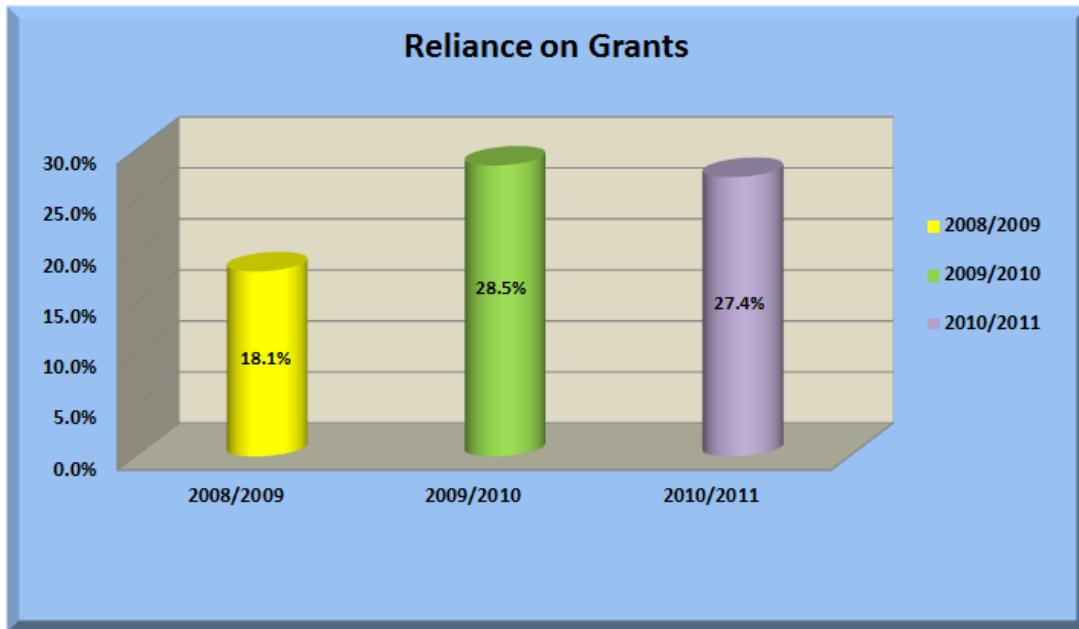
The table below indicates the municipality's reliance on grants for the past three financial years:

Financial year	Total grants and subsidies received (R'000)	Total Operating Revenue (R'000)	Percentage
2008/09	21 517	118 741	18.1
2009/10	41 759	146 536	28.5
2010/11	42 790	156 321	27.4

Table 125: Reliance on grants

The municipality is more reliant on grants to finance expenditure than other municipalities with the same nature, due to our limited revenue raising capacity.

The following graph indicates the municipality's reliance on grants as percentage for the last three financial years



Graph 25: Reliance on grants as %

B) LIQUIDITY RATIO

The table below indicates the municipality's liquidity ratio for the past three financial years:

Financial year	Net current assets (R'000)	Net current liabilities (R'000)	Ratio
2008/09	81 152	20 559	3.9:1
2009/10	77 544	27 815	2.8:1
2010/11	46 961	17 754	2.6:1

Table 126: Liquidity ratio

The liquidity ratios above indicate that the municipality is well within the national norm of 1.5:1 and that the municipality is in a favourable position to meet liabilities.

6.4.4 AUDITED OUTCOMES

The table below indicates the municipality's audit outcomes for the past six financial years:

Year	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/11
	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified

Table 127: Audit outcomes

The following table provides the details on the audit outcomes for the past two financial years with the correctives steps implemented:

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2008/09	
Main Issues raised	Corrective step implemented
Irregular expenditure: Irregular expenditure amounting to R 5 265 750 was incurred as a new supply management process had not been followed or the agreement with the former housing development agent extended after it had expired on 31 December 2006	A section 32 committee investigated the irregular expenditure and reported to council in December 2009. The council except the report and approved the expenditure
Unauthorised expenditure: Capital expenditure amounting to R228 322 was expensed as repairs and maintenance for which no provision was made in the capital budget	The council approved the expenditure in the capital budget
Material losses: A distribution loss of 16,9% (358 479 kl) on water was incurred	A water audit and meter audit is currently in process to reduce the water loss

Table 128: 2008/09 Detail on audit outcomes

2009/10	
Main Issues raised	Corrective step implemented
Irregular Expenditure: As disclosed in note 39.2 to the financial statements the municipality incurred irregular expenditure to the amount of R1 248 322	A section 32 committee will investigated the irregular expenditure and reported to council
The municipality's SCM policy did not stipulate the procedures to be followed as required by regulation 15 to 18 and 20 to 23 with regard to the procurement of goods and competitive bidding	A new procurement policy was adopted by Council in December 2010
The internal audit function did not fulfill its responsibilities as set out in legislation.	The Council is in a process to establish its own internal audit function which was outsourced for three years. The process will be finished in January 2011 with the help of DBSA

Table 129: 2009/10 Detail on audit outcomes

2010/11	
Issue raised	Corrective step implemented
<u>Emphasis of matter:</u>	
<u>Emphasis of matter:</u>	
<u>Significant uncertainties</u>	
<u>Emphasis of matter:</u>	
<u>Material losses</u>	
<u>Emphasis of matter:</u>	

2010/11	
Issue raised	Corrective step implemented
<u>Emphasis of matter:</u>	

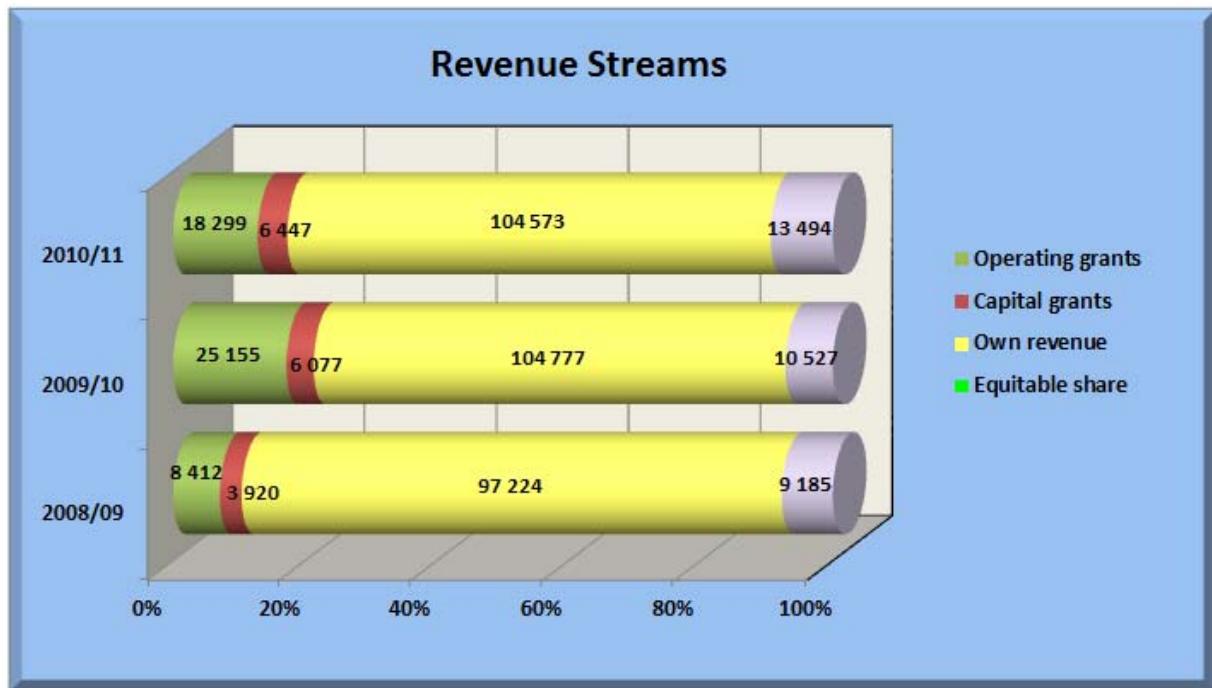
Table 130: 2010/11 Detail on audit outcomes

6.4.5 EQUITABLE SHARE VS TOTAL REVENUE

Description of revenue	Amount received 2008/09	Amount received 2009/10	Amount received 2010/11
	R'000	R'000	R'000
Equitable share	9 185	10 527	13 494
Capital grants	3 920	6 077	6 447
Operating grants	8 412	25 155	18 299
Own revenue	97 224	104 777	104 573
Total revenue	118 741	146 536	142 813

Table 131: Equitable share vs. total revenue

The following graph indicates the various revenue streams of the municipality for the past three financial years



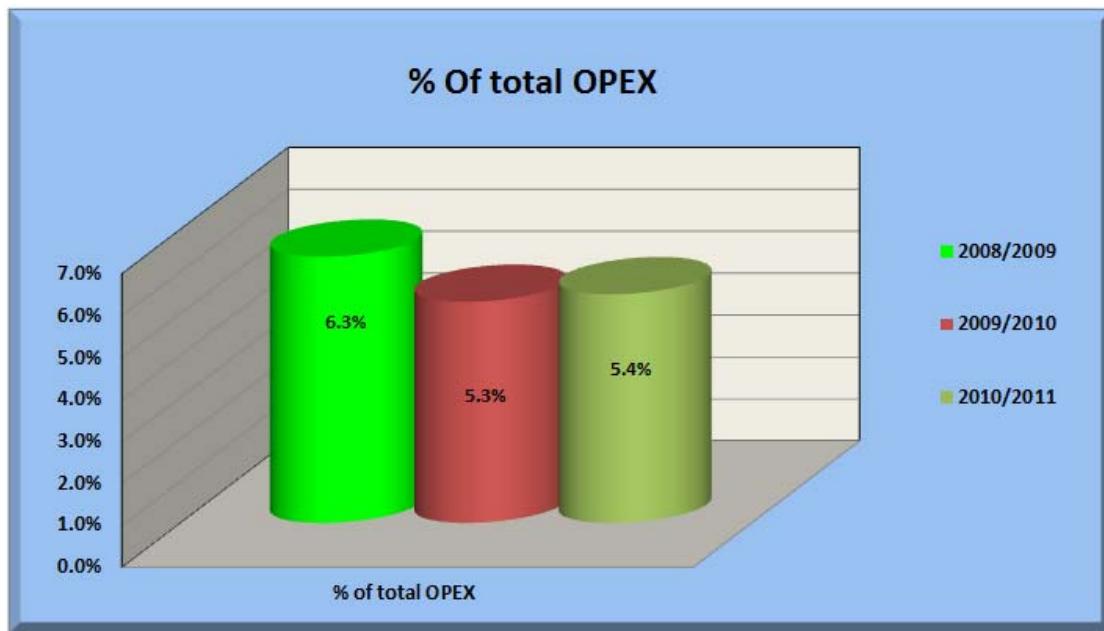
Graph 26: Revenue streams

6.4.6 REPAIRS AND MAINTENANCE

Description	2008/2009 (R'000)	2009/2010 (R'000)	2010/11 (R'000)
Total Operating Expenditure	106 468	139 054	159 624
Repairs and Maintenance	6 756	7 326	8 698
% of total OPEX	6.3	5.3	5.4

Table 132: Repairs & maintenance as % of total OPEX

The following graph indicates the percentage of the budget that was spent on repairs & maintenance in relation to the operational budget



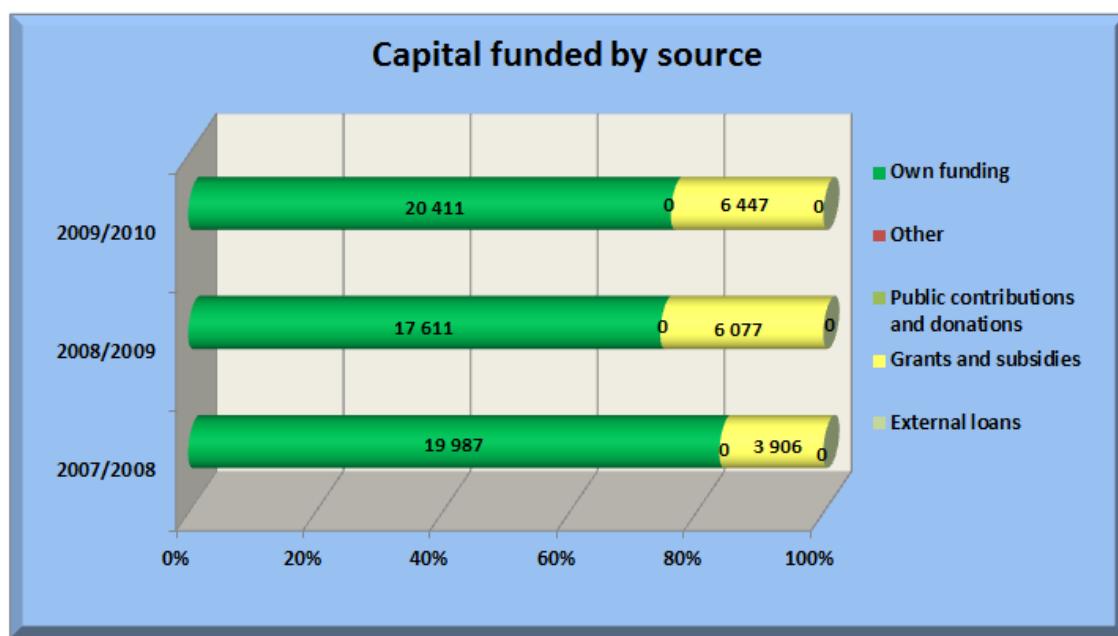
Graph 27: Repairs and maintenance as percentage of OPEX

6.4.7 CAPITAL FUNDED BY SOURCE

Description Source	2008/2009 (R'000)	2009/2010 (R'000)	2010/11 (R'000)
External loans	0	0	0
Grants and subsidies	3 906	6 077	6 447
Public contributions and donations	0	0	0
Own funding	19 987	17 611	20 411
Other	0	0	0
Total capital expenditure	23 893	23 688	26 858

Table 133: Capital funded by source

The following graph indicates capital expenditure funded by the various sources



Graph 28: Capital funded by source

LIST OF ABBREVIATIONS

AG	Auditor-General
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EE	Employment Equity
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal finance officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MAYCOM	Executive Mayoral Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MSA	Municipal Systems Act No. 32 of 2000
MTECH	Medium Term Expenditure Committee
NGO	Non-governmental organisation
NT	National Treasury

OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework

ANNEXURE A: AUDIT COMMITTEE REPORT

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ANNEXURE B: REPORT OF THE AUDITOR GENERAL

ANNEXURE C: ANNUAL FINANCIAL STATEMENTS
